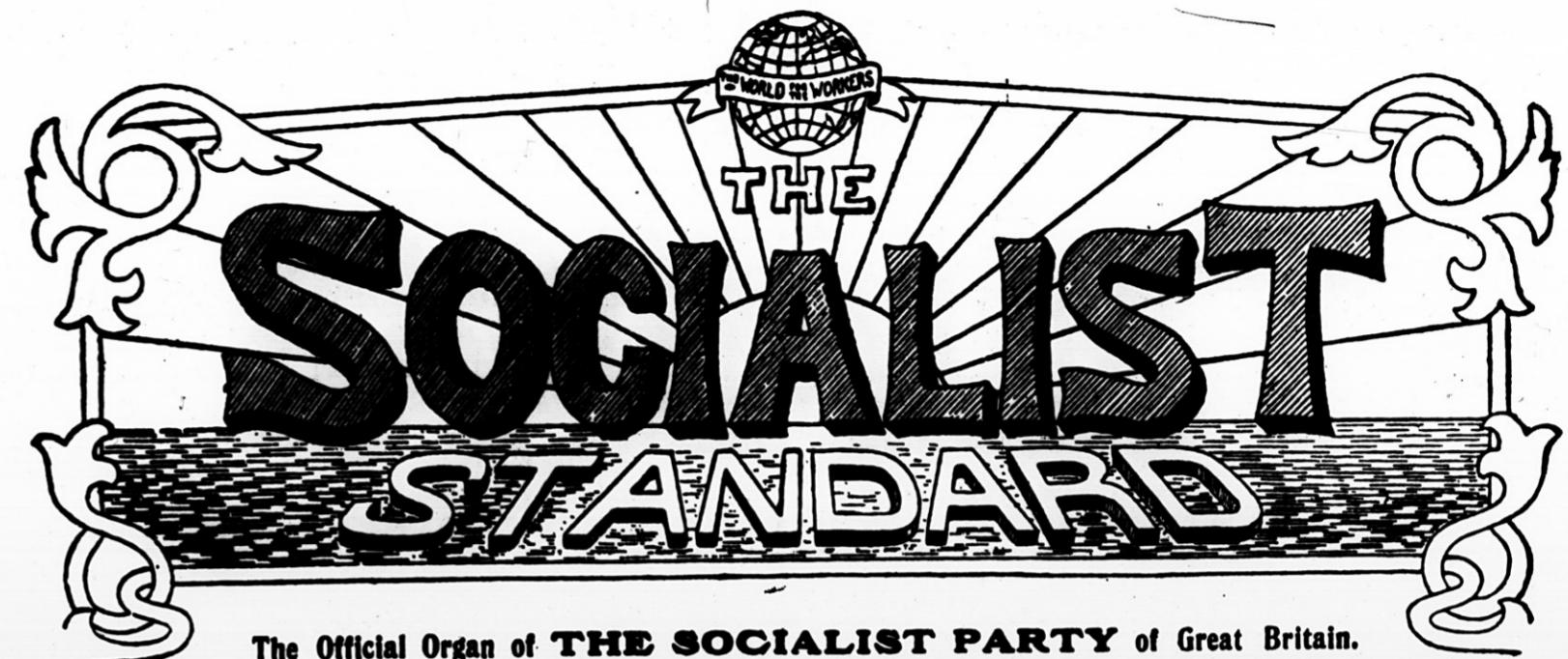


THE
**SOCIALIST
STANDARD**

1933



The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

No. 341. VOL. 29]

LONDON, JANUARY, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

THE HOUSING PROBLEM	65	A 1932 MEMORY	73
THE CHRISTIAN CHURCH AND FEUDALISM	69	DEBATES	74
NOTICES OF MEETINGS AND LECTURES	71	FOREIGN DEBTS AND THE WORKERS	76
THE DEPENDENCE OF GOVERNMENT ON PARLIAMENT	72	NOTES BY THE WAY	77
		BRANCH DIRECTORY	80

The Housing Problem

THE SOCIALIST VIEW

The problem of housing has been brought into prominence again by the Government's decision to discontinue subsidies except for the purpose of slum clearance. What is the so-called housing problem? And what have Socialists to say about it?

The first thing to be noticed is that, properly speaking, it is not a housing problem at all. There is not a universal shortage of housing, but only a shortage among part of the population. Those who have enough money experience no difficulty in renting, buying or building new and spacious accommodation. It is only the workers who need help, and that is simply because they are poor. The housing problem is only another aspect of, or another name for, the general problem of working class poverty.

Does capitalism produce houses (or any other articles) for the use of the population? By no means. It produces houses only when it is profitable to the capitalist to do so, and to the extent that those who need accommodation can afford to pay for it. Mr. Harry Barnes, formerly Vice-President of the Royal Institute of British Architects, and Liberal M.P. for Newcastle East, in his book,

"Housing" (Pub. by Ernest Benn, Ltd., 1923), points out that the rate at which new houses were being built during the 110 years from 1801 to 1911, was not constant, or increasing with the increase in population, but rose and fell in accordance with the amount of profit to be obtained in house building as compared with the rate of profit to be obtained by investing money in other directions. (See pages 17 and 43, and all chapter V.) He says:—

In times of great trading, commercial and industrial activity, building will slacken owing to the engrossing and profitable character of other occupations. (P. 48.)

Thus, instead of building houses to meet the growing needs of a growing population, 19th century capitalism showed "a period of considerable activity in house-building from 1801 to 1841, then half a century in which the pace of building fell away, from 1841 to 1891. Last of all, a period from 1891 to 1911, during which the greatest effort in absolute numbers by private enterprise to supply this fundamental human need was made." (P. 17.)

At no time, however, could it be said that all the

working class were decently and adequately provided for. Mr. Barnes states that, in 1801, the estimated number of "surplus families" (i.e., "the family for which no structurally separate dwelling exists, which can only find its shelter by inhabiting the home of another family, a result producing, in innumerable cases, the deadly social evil of overcrowding") was 320,000. By 1911 it had risen to nearly 900,000. (See p. 18.)

He wrote (p. 18):—

Year by year during the century it is seen that there has been a steady falling short of the number of houses required to be provided.

And again (p. 37):—

The housing shortage of to-day is not something that comes like a bolt from the blue . . . but is rather the slow accumulation of a century, suddenly and terribly increased by the conditions arising out of the war.

As early as 1835, when elected local councils were set up, these new municipal authorities "began to obtain private acts empowering them to demolish insanitary dwellings and to impose stringent regulations upon the builders." (See *Houses for All*, by E. D. Simon, now Sir E. D. Simon, Pub. *Daily News*, Ltd. 1923. P. 3.) But it was the *Shaftesbury Act* of 1851 which brought local authorities into house building in an endeavour to make good the declining supply of working class houses. It will be noticed that 1851 was ten years after the year in which house building began to decline. The number of houses built in 1851 was only about three-fifths of the number built in 1841. (Barnes, P. 37.) The position was, of course, that the workers could not afford to pay a rent which would make the building of new houses as profitable to the capitalist as it was to invest his money in industrial and commercial buildings, or in mining, iron and steel, railways, etc., at home or abroad.

Between 1851 and 1914 many other Acts were passed with the object of promoting the building of working class houses, and in 1884 the whole subject was inquired into by a Royal Commission.

The period 1891 to 1911 was a period of great activity in house building. The reason was the trade depression. Capitalists found their investments in industry yielding only small profits, and the consequent glut of money forced down the yield on Government stocks, so they turned their attention to houses until such time as trade revived again.

Yet, in spite of this burst of building, and in spite of numerous Housing Acts and the activities of local authorities, we have Mr. Barnes' admission referred to above, that in 1911 the number of families without a home of their own (rented or owned) was nearly three times as great as in 1801.

The Effects of the War.

Then came the War, during which every other activity had to give way to the needs of the fighting forces. House building practically ceased

for five years or more, and in 1919 the position was far worse than in 1911. Mr. J. G. Martin, Secretary of the National Housing and Town Planning Council, in a letter to the *Morning Post* (January 14th, 1927) quoted an official estimate that there was a deficiency of 800,000 houses, that being the number required to restore the pre-war position. It was also estimated that at least 100,000 new houses are needed each year to replace wastage due to the demolition of old houses and the demand caused by growing population. (See *Houses for All*, E. D. Simon. P. 4.)

This does not mean, of course, that only 100,000 houses would be needed to satisfy the requirements of the population, but that 100,000 new houses are needed each year to satisfy that part of their requirements which the workers can afford to pay for—a very different matter.

When the census was taken in 1921, 9.6 per cent. of the population in England and Wales was living in a condition which corresponds with the official definition of overcrowding. (See *How to Abolish the Slums*, by E. D. Simon. Longmans. 1929. P. 13.) In Manchester the percentage was 7.9, in the County of London 16.1, in Bermondsey 23.2, and in Shoreditch 32.

E. D. Simon, in the above-mentioned book, questions the value of the official definition of overcrowding. According to that definition, a house is only overcrowded if there are more than two adults to a room (two children under ten count as one adult). Simon suggests a standard of two-and-a-half persons per bedroom, or a standard which holds a house to be overcrowded unless it enables the parents to have one bedroom and enables boys and girls over ten to be separated. (P. 7.)

On either of these standards the percentage of overcrowding would be shown to be far higher. They would, for example, show the overcrowding in Manchester to be at least 25 per cent. instead of only 7.9 per cent.

The Great Post-war Housing Schemes.

All three of the big political parties have had a hand in "solving" the housing problem. The Tories began with the 1851 Act, and the *Times* (March 25th, 1927) boasted that the Tories had a record of achievement in this direction extending over seventy years. The Liberals and the Labour Party both claim credit for several Acts under which house building has been helped by the Government, through subsidies or otherwise.

The late Mr. Wheatley, prominent member of the I.L.P., was responsible as Minister of Health for the Labour Government's Housing Act in 1924. Imposing figures have been presented showing what has been done. Up to November, 1932, over 1,800,000 houses had been built since January, 1919, 1,096,387 with State aid and 797,249 without aid. (See *Manchester Guardian*, November 2nd, 1932.) The cost to the Government in respect of subsidies

is now over £13 million a year, with another £3 million paid out of local rates. (*Manchester Guardian*, November 12th, 1932.)

As long ago as 1928 the Conservative Party, in a leaflet called "Conservative Social Reform," claimed that their Government had been able "to wipe out the housing shortage by building nearly 650,000 houses in less than four years."

And yet, after the problem has been "solved" many times during the past century, and after all the chief reformist parties have had a hand in it, supplemented by innumerable philanthropic and semi-philanthropic efforts, the evil is with us still, as huge and as devastating as ever.

Let us see what some acknowledged authorities have to say about the position now or within the past year or two.

The Problem Still Unsolved.

It is true that between 1919 and January, 1927, 768,000 new houses had been built, but most of these were needed to meet the ordinary wastage and the demands of the growing population. Mr. J. G. Martin, Secretary of the National Housing and Town Planning Council (*Morning Post*, January 14th, 1927), said that less than 100,000 of these 768,000 could be counted towards wiping out the abnormal shortage caused during the War. In January, 1927, therefore, there were still 700,000 houses needed to restore the pre-war position (as compared with 800,000 needed in 1919).

The utmost that can be claimed for the new houses built between 1927 and 1932 is that they have been sufficient to catch up the war-time arrears and restore the pre-war position.

The *Eighth Annual Report* of the Scottish Board of Health for 1926 said of Glasgow slums:—

The majority of the houses were dark, many of the tenants having to burn gas all day, winter and summer. . . . Everywhere we noticed an almost total lack of sanitation. Ceilings are falling down, woodwork is rotting away, there are holes in the walls of houses through which the street can be seen. The houses are a hunting ground for vermin of every description. The tenants complained that they could get no peace from these pests.

In addition to the insects which I have mentioned we found evidence of a perfect menagerie of animal life, including rats in great numbers, mice, snails and even toads. Can it be wondered that such places breed an unhealthy and discontented people? (See *Morning Post*, June 21st, 1927.)

Lieut.-Colonel Freemantle, Medical Officer of Health, in *The Housing of the Nation* (see *Times*, March 25th, 1927) said:—

For a large section of the working-class there is really no such thing as home. Home life has no meaning for them. They have no part or lot in such things.

. . . Herded together, family upon family, in the same tenement, in the same room, what chance have they of life worth having in houses, meanly built, crowded round courts, dark, dingy, and out of repair, too often dirty and verminous from generations of tenants past, destitute of life and air, devoid of the necessary equipment for domestic needs, packed tight to help pay the rent that even such accommodation can command.

Mr. F. N. Kay, Medical Officer of Health for the L.C.C., in his report for 1929, said (*Daily Herald*, October 16th, 1930):—

There are about 30,000 basement dwellings in London which are considered unfit for human occupation.

. . . No worse housing conditions exist anywhere than in the underground rooms of the Metropolis.

The *Times* editorial (March 25th, 1927), which acclaimed the Tories' seventy years' work for housing, had to admit that the problem was still unsolved, and that even after the war-time shortage had been removed "there will still remain the problem of the slums, and the housing of the people in our great towns."

The Bishop of Southwark (in an article in the *Evening Standard*, November 9th, 1929), wrote:—

On a moderate estimate, that of the last census, there are 84 million persons living in overcrowded conditions; but the standard adopted by the Registrar-General is a very low one. . . . If a rather higher standard is adopted, one and a half persons per room, no less than 9,000,000 would be living in overcrowded conditions.

He said that on a very moderate estimate there are over 100,000 persons in London living in insanitary houses or areas.

He said that the subsidised building of houses since the War has—

not drained the slums of their occupants. . . . They have had no appreciable effect on the worst and most overcrowded districts. . . . Usually the new houses are too far away, the slum dweller cannot afford the long journey to and from his daily work. More serious still is the fact that he cannot afford the higher rent required for these houses.

Mr. E. D. Simon (now Sir E. D. Simon, formerly Lord Mayor of Manchester, Parliamentary Secretary to the Minister of Health in the National Government, and Chairman of the Manchester City Council Housing Committee), writing in the *Manchester Guardian* (August 10th, 1927), pointed out that as regards workers' houses rented at 6s. to 8s. a week:—

It is hardly an exaggeration to say that nothing has yet been done to help these people—just those whose need is greatest.

And further:—

The overcrowding in the low-rented houses is no less than it was in 1919, while the larger houses are under-tenanted.

The same authority on housing conditions (in a letter to the *Times*, February 12th, 1931) wrote:—

According to all the available evidence there has on the average been no reduction whatever in the terrible overcrowding in the slum areas; the position of the slum-dwellers is worse than it was ten years ago.

Sir Raymond Unwin, President Royal Institute of British Architects, and formerly a housing official at the Ministry of Health, admits that the houses built since the War have not done more than make up the deficiency of the War years, and that:—

In some ways the housing position is worse than it was in 1921. (M. *Guardian*, 2 Nov., 1932.)

Mr. Norman McKellen, Secretary of National

Federation of House Builders, in a letter to *Manchester Guardian* (November 12th, 1932), wrote:—

Notwithstanding the annual cost of subsidies, little or nothing has been done to house the poorer working classes; and the National Housing and Town Planning Council, a body largely composed of representatives of local authorities themselves, are reported as saying: "It is lamentable that 14 years after the conclusion of the war medical officers of health should find it necessary to report that there is still a large amount of gross overcrowding, that indecent occupation of sleeping-rooms is not infrequently met with, and that many unhealthy basements are being used as dwellings by the poorer families. Moreover, only the fringe of the slum problem has so far been touched."

Now we have the Government, as an economy measure, stopping the payment of subsidies except for slum clearance, although, in common with the Liberals and the Labour Party, it has hitherto proclaimed subsidies as the only way of tackling the problem. In addition, the Government is negotiating with the building societies for them to take on house building, on condition that in future there shall be twenty instead of twelve houses to the acre—a definite worsening of the standard.

As in the period 1891-1911, the world depression is making the capitalists turn once more to house building owing to the decline of profits in other fields of investment.

Socialism the only Remedy.

There is no remedy except Socialism. There will always be a working class housing problem so long as there is a working class, that is a class producing wealth not for themselves but for the capitalists. None of the schemes of the reformers will touch the problem. The late John Wheatley himself had to confess that his Housing Act was only "patching up the capitalist system," yet his I.L.P. worshippers claimed his Act as the outstanding achievement of his life! What a confession for alleged Socialists to have to make. Municipal and State owned housing estates are no solution at all. The recent eviction case at Dagenham illustrates this. A widow was thrown out of her house by her landlords, the London County Council, in spite of resistance organised by local "direct actionists." In the struggle several were injured on both sides and several workers were imprisoned. Yet it is this municipal capitalism on the Dagenham and other L.C.C. housing estates of which the I.L.P. in its *Socialist Annual*, 1925, boasted as being instances of "Socialism."

As an actual fact, Judges in the East End of London have several times declared in court that the municipal authorities are more harsh than private landlords in their treatment of tenants who cannot afford to pay their rent.

Cases have come to light of the London County Council refusing to let their houses to workers employed in the Post Office (the institution which

the I.L.P. describes as "Socialism in practice"), on the ground that their pay is too low to enable them to afford the rent.

The most damning indictment of capitalism and of reformism is the recent discovery that some houses condemned by Engels as unfit for human habitation in 1844 (see *Condition of the Working Classes in England in 1844*) are still inhabited and overcrowded to-day. (See *Some Housing Conditions in Chorlton on Medlock*, May, 1931.)

Part of the post-war shortage of new houses is due to the Rent Restriction Acts, which, by keeping rents low, reduced the margin of profit to be made by house building. Thus—as is usually the case—the attempt to reform one evil effect of capitalism creates or aggravates another evil.

The working class should decide to waste no more time and energy on the Liberal-Tory-Labour reformists, and to organise for Socialism. Not till then will the housing and other aspects of the working class poverty problem be solved.

H.

DONATIONS RECEIVED.

Dagenham, 1s. 6d.; J.K., 1s.; J. Clark, 1s.; J. Blundell, 2s.; J.K., 1s.; F.G., 2s.; A.E.H., 12s. 6d.; A.E.H., 2s.; J.K., 3s. 3d.; M.L., 10s.; F.G., 2s. 6d.; A.B., 3s.; T.A.P., 8s.; J.E.R., 7s. 6d.; J.S., 2s. 6d.; L., 6d.; Battersea Branch, £2; Sherry, 2s.; A.M.P., 2s.; E.P., 17s.; G.C.G., 3s.; W.B., 9d.; Stril, 1s.; A.H.S., £1; W.R., £1; J.K., 2s.; J. Barber, 4s. 2d.; R.H.E., 6s.; W. House, 10d.; W. Menzies, 9s. 9d.; W. Perry, 9s. 9d.; J.C., 1s. 6d.; T.T., 11d.; G.R., 2s. 6d.; G.P.O., 6d.; Rimington, 2s. 6d.; J.M., 1s.; G.W., 1s.; S. Elliott, 1s. 6d.; F.J.H., £1; Watford Branch, £2 10s.; F.H.B., 2s. 6d.; G.C.B., 2s.; J.B.T., 2s. 6d.; G. Reid, 1s.; Lucas, 10s.; W.W., 1s. 7d.; West Ham Branch, £5; J.G.R., 2s.; J.M.M., 7d.; A.H., 1s.; J.E.W., 6s. 1d.; H.G., 3d.; W.H.S., 4s.; H.M., 1s.; Rimington, 5s.; Ted, 5s.; R.C.T., 1s. 6d.; B. Woan, 5s.; A.H.S., £5; A. Jacobs, 1s.; B. Wasson, 8s.; R.F., 3s.; N., £1 1s.; Vic. P.S., 2s. 6d.; F.J.H., £1; P.W.C., 1s.; H.C.H., 2s.; A.H., 12s. 6d.; G. Jackson, 6s. 6d.; G.C.G., 2s.; H.C.H., 3s.; T.B., £3; R. Su., £1; W.T.W., 2s. 2d.; J.D.T., 6d.; T.S.R., 2s. 6d.; H.C., 1s.; A.M.C., 1s.; W.S.D., 10s.; J. Elsner, £1; G., 1s.; W.O., 7s. 6d.; Grays Reader, 2s.; F.J.H., £1; Milton, Leeds, 4s.; J.M.L., 17s. 6d.; Anon., 1s. 6d.; B.L.B., 2s. 6d.; E.R., 1s.; G.M., 1s. Total, £39 8s. 7d. Donations received up to November 22nd, 1932.

Further donations are needed. Send to Treasurer at 42 Great Dover Street, S.E.1.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

Send for a copy.

HOW TO GET TO HEAD OFFICE.

Great Dover Street is a turning out of Borough High Street, near Borough (Underground) Station. The station is on the line from Morden to Hampstead and Highgate, and lies between the Bank Station and Elephant and Castle.

The Christian Church & Feudalism

A LESSON IN HISTORICAL MATERIALISM

Christian churches are monuments built out of the miseries of slaves—chattel-slaves, bond-slaves and wage-slaves. They are monuments of plunder and despair.

In certain respects the conditions that existed at the time Christianity was established as the state religion of the Roman Empire, sixteen hundred years ago, were typical of the conditions that have favoured its existence ever since.

The early Roman Republic was of a type common at the time. It was a city state based upon small scale agricultural production with minor trading activities connecting it with similar states outside. Its inhabitants consisted in the main of freemen farmers and slaves. The freemen possessed varying quantities of wealth but all took part equally in the voting and administration of affairs. The early wars of defence grew into tribute-imposing wars and a commercial class developed which brought about internal conflict.

The foreign wars of the republic ruined a large section of the peasants and concentrated landed property in the hands of a small section which formed the aristocracy or patrician class; fostered the growth of a class living partly on commerce and partly on usury; developed a military force giving allegiance to leaders which eventually grew into a powerful military state; and further increased the impoverishment of the poor by the huge increase in chattel slave labour.

The civil wars that broke out during many centuries, and the direction taken by imperial policy in ruining the agricultural and commercial competitors were the expression in one form or another of the conflicting interests of these classes. It was these movements that threw up names—Gracchi, Cicero, Caesar, Augustus—that have survived when the tendencies they represented have been almost forgotten.

By the first century B.C. the old city state had grown into an empire made up of a huge collection of municipalities subject to tributes imposed by the parent city, and the privileged section of its citizens acquired enormous wealth which they spent in the building of beautiful villas with marble columns, costly gladiatorial combats and luxurious living and lavish displays of one kind or another. A multitude of Italian, Slavic and Germanic tribes had been incorporated into the Empire. The mode of production had changed from the small production of the peasant farmer to production by slave labour on large estates in different parts of the Empire. The Roman trader had accompanied the Roman army in its pioneering work and a considerable commercial development had been reached which spread a network covering North Africa, Spain, Britain and a portion of the East,

but having as its centre Rome—all roads led to Rome.

The old senatorial city-state constitution of Rome was unsuited to this expanding empire with its conflicting classes and complicated policies. The struggle that took place and was spread over a long period of time modified the power of the Roman Senate and placed considerable power in the hands of the military leaders. The intrigues in the Roman Senate by bribed tools of Caesar as a prelude to his crossing of the Rubicon read strangely modern. The general ruin and misery caused by the civil wars eventually produced a universal desire for peace. A correct appreciation and interpretation of this desire helped Augustus into the position of the first of the Roman Emperors, though both he and succeeding Emperors wielded power under the constitutional cloak of the First Consul of the Empire.

In the early municipalities tribute was exacted through the medium of the elected freemen of the localities, but the growth of Rome as a huge tax-gathering machine brought changes in the instruments of tax-gathering to secure a greater flow of wealth to the centre. Tax-gatherers and municipal officials were appointed from the centre and a huge bureaucratic machine developed, which tightened the hold of the centre upon the Empire, and also brought bribery, corruption and the legal arts to a high pitch of perfection. Usury became a considerable source of wealth and flourished like mushrooms on a dunghill.

Under the Empire chattel slave labour entered every sphere of production, and this form was exploited to its utmost limits, until it became a barrier that limited the further achievements of Roman civilisation. Slave labour is notoriously wasteful, both of soil and of implements, as the slave has no personal interest in the work he is doing nor in the animals and tools he is using. Its cheapness kills the incentive to improvement in means of production. Hence agricultural science made little progress and no means were used to replace the nourishment drained from the earth. The result was a progressive exhaustion of the soil.

The growth of the bureaucratic machine and the increasing rapacity of its personnel, together with a progressive reduction in the returns from slave labour, tended to make the Empire top-heavy—it was carrying too many and too rapacious drones and unproductive labourers compared with its productive capacity. The increasing burden of taxation reduced the capacity of the municipalities to put armed men in the field to defend the frontiers, and drove the small farmers more and more to sell themselves into slavery, or put themselves in dependence upon powerful landowners, in order to live or to escape military service.

By the fourth century A.D. the whole tendency under the Empire was downwards. Even the rich had misgivings and a feeling of the impending

end of their affluence, and were ruthless in their exploitation of the earth and everything on it in the attempt to accumulate and squander as much as possible, with the motto, "make the most of to-day for to-morrow we die." Hopelessness in the future was the ultimate view that pervaded all sections under the Roman Empire at the time.

The above is a rough picture of the position when Constantine became Emperor of the Roman dominions.

In the meantime, Christianity, a hotch-potch of earlier philosophical ideas, was born and spread through the decaying Empire. The soil was fruitful and it flourished and acquired property which it struggled to retain and increase for hundreds of years after.

It had a message for rich and poor, for freeman and slave. It proclaimed to all who suffered that this life was but a brief span in a vale of tears, a necessary suffering to open the gates of Paradise in a mythical world after death. Those who saw nothing but misery in their life on earth gladly clutched at the hope that this life was only a temporary evil.

The rich it consoled with the following admonitions to the poor:—

Let every soul be subject unto the higher powers. For there is no power but of God: the powers that be are ordained of God.

Whosoever therefore resisteth the power, resisteth the ordinance of God: and they that resist shall receive to themselves damnation.

For rulers are not a terror to good works, but to the evil.

Wherefore ye must needs be subject, not only for wrath, but also for conscience sake.

For this cause pay ye tribute also; for they are God's ministers, attending continually upon this very thing.

Render therefore to all their dues: tribute to whom tribute is due: custom to whom custom: fear to whom fear: honour to whom honour.

(Epistle to the Romans, Chap. 13.)

Servants, be obedient to them that are your masters according to the flesh, with fear and trembling, in singleness of your heart, as unto Christ."

(Epistle to the Ephesians, Chap. 6.)

In the Sermon on the Mount passive obedience is preached and the followers of the Church are urged not to resist evil nor oppression but to turn the right cheek to the smiter. It is further impressed upon them by the assurance, "Blessed are the meek for they shall inherit the earth," and similar precepts.

The above teachings were an expression of the conditions of the time and were, on the one hand, the hopeless wail of the poor, and, on the other, an instrument to keep the poor submissive. With the spread of Christianity the wealth and property of the Church grew, and with it the ecclesiastical bureaucracy. The Church gathered under its wings for the administration of its affairs officials of various grades, from workers amongst the poor up to the wealthy bishops at its head.

While the Church was growing an economic revolution had been slowly spreading throughout the Empire and was eating at its chattel-slave basis. The dwindling returns from slave labour and the burdens borne by the freeman led more and more to a new form of dependence in industry and on the land. The migrations of industrial freemen were being limited by new industrial arrangements and industrial slaves were acquiring a new form of dependence. Agricultural freemen were being subjected to systems of leasing lands and customary tenancies. Agricultural slaves were granted their freedom on condition that they gave certain free service to their lords, as well as working the lands allotted to them.

Constantine was the largest private landowner in the Empire and by the time he was firmly seated as Emperor the various methods of production were intermingled on all estates, and he found them an almost inextricable tangle on his own. The method of customary tenancy, however, was rapidly growing in favour.

The change the Empire had undergone through the centuries had been fundamental. The old local city state with its ruling aristocracy had passed away and the later aristocracy of Rome were men who owned vast estates in Africa, Spain, and the large territory that at that time went under the name of Gaul. Local ideas had also given place to ideas that were the fruit of a huge agglomeration of people of different races and religions who were grouped under the same Empire. But while the development of a people may halt for a while it does not remain permanently at the same level. When the forces within have developed to their limit new forces are born which require a re-alignment of classes. A fresh surge of development commences in a new direction. Such was the position under the Roman Empire. Slave culture had reached its limit and threatened to involve all in a common ruin. But a new form had been silently superseding it. One that later became known as feudalism.

In these circumstances a church that knew no local boundaries, whose god existed everywhere, whose organisation was supported by a hierarchy of officials, and which proclaimed the divine origin of law and rulers found favour, and fitted with increasing exactitude into the needs of the Empire that was becoming feudalised.

With the growth in the feudal form of production the old governmental machinery became unsuitable and new machinery had to be devised. The passing away of municipal freedom had weakened the capacity of the central executive to appreciate the needs of the vast Empire. Rule by the Senate had not been sufficient to control adequately the huge Empire, and succeeding attempts to make the administration more efficient had degenerated into a struggle between the Senate and the military chiefs. The effort to bring efficiency

and unity into the administration was responsible for the development under one of the Emperors (Diocletian) of an advisory council, at first temporary, and finally growing under Constantine into departments covering the various divisions of treasury, war, judicial functions and so forth. The essence of the new form was its capacity to deal better with the administration of the Empire and yet remain under the personal control of a head.

A number of measures were introduced to bring uniformity into the economic relationships. The result ultimately tied the cultivator to the soil and to his lord, and made succession to these fixed tenures hereditary. But something else had still to be accomplished. A means had to be found for ascertaining the needs and wishes of the people and for sanctifying the decrees of the rulers. It was here the Church stepped in. Burrowing into every cranny of the Empire and the home, amongst the poorest as well as the richest, it possessed an administration with unequalled social knowledge, and an accumulation of property that placed it on the side of the new type of property owners. At his hand Constantine found a suitable and willing tool in building the feudalised state, and at the Council of Nicea in the year 325 Christianity became the state religion of the Roman Empire. From that time onwards the Church has thrown its resources on the side of the oppressor. In the course of centuries it became itself the largest feudal proprietor in the world, at one time owning a third of the land of Europe. In England in the 16th century it is computed that the Church owned one-third of the land and half the wealth of the country. In fact, it is almost a truism to say that during the Middle Ages the Church and feudalism were the same thing.

Thus feudalism commenced a career that lasted over 1,200 years, and with it, the Christian Church spread like a blight over the most distant parts of the known world.

Such, briefly, was the material origin of the idealised Christian Church.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand at 8, Whitehall Buildings, Upper Queen Street, Auckland, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

"SOCIALISM AND RELIGION"

48 pages. TWOPENCE 2½d. post free.

NOTICES OF MEETINGS & LECTURES

HEAD OFFICE

Each Sunday Evening.

Meetings will be held on Sunday Evenings at 42 GREAT DOVER STREET, S.E.1, at 8 p.m. as under:—

January 1st. .. "Socialism and Trade Unionism." G. Bellingham.

January 8th. .. "Socialism by Riot or Revolution." E. Lake.

January 15th. .. "The Dignity of Labour." D. Russell.

January 22nd. .. "The Fetish of Leadership." R. Innes.

January 29th. .. "The End of the Working Class." Com. Wilmott.

Admission free. All invited. Questions and Discussion.

BATTERSEA.

Thursday, January 19th.

A meeting will be held at the LATCHMERE BATHS WAITING ROOM (Entrance in Burns Road), on Thursday, January 19th, at 8.30 p.m.

"Is there a Cure for Unemployment."

R. Ambridge.

All invited. Admission free. Questions and discussion.

DAGENHAM.

Sundays, 8th and 22nd January.

Meetings will be held at the DAGENHAM LABOUR INSTITUTE, Charlotte Road, Church Elm Lane, at 7.30 p.m. as under:—

January 8th. .. "Reform or Revolution." R. Innes.

January 22nd. .. "What Socialism Means to the Workers." R. Ambridge.

Admission free. All invited. Questions and discussion. Doors open 7 p.m.

LEYTON.

Sundays, 8th and 22nd January.

Meetings will be held on Sundays, 8th and 22nd January, at GROVE HOUSE, High Road, Leyton, at 7.30 p.m. as under:—

January 8th. .. "The Class Struggle." G. Bellingham.

January 22nd. .. "Why We Oppose all other Political Parties." A. Jacobs.

Admission free. All invited. Questions and discussion. Doors open 7 p.m.

MANCHESTER.

Mondays, 16th Jan. and 13th Feb.

Meetings will be held at the CLARION CAFE, Market St., Manchester, on Mondays, 16th January and 13th February, at 7.45 p.m. as under:—

January 16th. .. "Reform or Revolution." J. Lea.

February 13th. .. "Labour Has Failed—What Next?" D. McKenzie.

All invited. Admission free. Questions and discussion. Commence 7.45 p.m.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The Socialist Standard



JANUARY,

1933

The Dependence of Government on Parliament

We are often told by opponents that it is useless to organise for the capture of the political machinery because the capitalists who control it can at any time suitable to them stop holding elections and refuse to hand over control to a Socialist majority. What these critics fail to appreciate is that modern highly developed capitalism cannot function with any degree of efficiency without the machinery of representative government, which the capitalists have had to build up.

This has been illustrated by the events in Germany. Hindenburg was elected President by a huge majority over Hitler. In the Reichstag, however (the German Parliament), Hitler's party is the largest single party, although it has not a clear majority. In these circumstances, and as the parties could not agree to form a coalition which would provide a majority as basis for a government, Hindenburg used his powers under Article 48 of the Constitution—an article for which the Social Democrats are responsible—to appoint his nominee, Von Papen, as head of the Government. Faced with a hostile Reichstag, Von Papen decided to seek the support of the electors at a General Election. It was held but failed to give him the support he needed. In consequence of that failure, Von Papen had to go, and his place has been taken by Von Schleicher. Von Schleicher, in order to stabilise his position, promptly had to withdraw his predecessor's unpopular measures in an endeavour to secure the support of a parliamentary majority. To do this, Von Schleicher has had to placate not only several of the political groups, but also the trade unions, whose leaders he consulted. He has even made concessions sufficiently far-reaching to

attract a section of the principal opposition party—Hitler's party—so that there is now a distinct likelihood that Hitler's forces will be divided.

And the immediate reason for this change of front? It was given in reports from Berlin correspondents to several London newspapers. A continuance of Von Papen's Government, lacking a parliamentary majority, and imposing an unpopular policy, would lead the supporters of the opposition parties to express their discontent outside parliament. There would be disorder which would at once endanger property and disturb the functioning of the capitalist system. The Berlin correspondent of the *Daily Express* wrote (December 3rd):—

A revival of the Von Papen Chancellorship would mean riots and strikes and bloodshed all over the country.

The Berlin correspondent of the *Daily Herald* (November 30th and December 3rd) wrote:—

RUMBLERS OF REVOLT
SCARE BERLIN 'CHANGE.

FEAR OF RETURN OF VON PAPEN.

Shares tumbled headlong on the Berlin Bourse to-day in fear of an upheaval, when it was reported that Von Papen would be appointed Chancellor to form a "Fighting Cabinet" against Parliament.

(*Daily Herald*, November 30th.)

Up to the very end the old President fought for his favourite, Von Papen.

But at the last moment, three of the most important Ministers of the last Papen Cabinet refused to support him.

(*Daily Herald*, December 3rd.)

The *Times* and other papers printed similar accounts.

Another aspect of the influence of political instability on capitalist finance was the refusal of foreign financiers to ratify an agreement to provide a loan of 60 million marks for development of the German Post Office. The German Government wished to take advantage of the lower interest rates obtainable abroad and had made practically all arrangements for borrowing the money when the political situation was rendered uncertain by the fear that Von Papen's Government might try to dispense with Parliament. Immediately the foreign lenders withdrew from the almost completed negotiations, leaving the Post Office no alternative but to borrow a much smaller sum in Germany at higher interest rates.

The new Government, led by Von Schleicher, assured of trade union support or at least their tolerance, is now offering a programme of social reforms (increased unemployed pay, etc.), the release of political prisoners, and the abandonment of proposals to alter the constitution—all in order to secure a parliamentary majority and, with it, security for capitalist industry, trade and finance to continue functioning.

So far, there never has been in any country an organised Socialist Majority face to face with the defenders of capitalism. When that situation arrives, that organised majority will be able to deal with every eventuality. The idea that a clique of

capitalist politicians, shorn of support among the electorate, could bar the road to Socialism is ludicrous.

A 1932 Memory.

Tired of the gloomy public library and its shabbily dressed habitués vainly seeking employment or feverishly struggling for news of the latest racing results, I wondered what I should do next. I went some distance along the main road and a Lyons tea shop with its stereotyped white and gold front—unimaginatively the same in Camberwell, Streatham, Balham, Poplar, Brighton, or wherever the octopus has extended its suckers—attracted me; at least the marble walls, glass tables and not-so-shabby public were an improvement, and I sat down and awaited a cup of tea.

A man, old in experience, but still young in outlook, entered and sat opposite and ventured a remark on the weather. Another commonplace or two, and then he observed that the weather was really of not much importance; the economic difficulties were what mattered most. I could only agree and confided that I myself had been sacked with a large number of other employees about six months ago by a prosperous rubber company.

"You don't know what to do these days," he said. "When I was young you could try your luck abroad, but to-day it's the same everywhere; Australia has its big unemployment problem. I have been in many parts of the world and carried on businesses, but it's no good leaving this country nowadays."

He then told me he was in the bakery business and had come over from West London to collect a little account from one of his customers.

"It must be a large business," I said, "if you have customers in this neighbourhood."

"No, it isn't that," he replied, "the customer moved here."

"Not the most pleasant of occupations endeavouring to get people to pay their debts," I observed.

"Well," he said, "there is nothing in it when you get used to it. In a case of genuine hardship we make all the allowance we can, but if we are sure a man has the money and is being obstinate, we serve a summons. Of course, it must be very hard for all those people thrown out of work by the large companies."

"Well," I said, "the large combine companies don't think much about their employees; from their point of view it is merely a costing operation."

"Yes, but I don't think it helps them much," he said.

"Why not?" was my answer. "They make

a big saving in labour costs and are able to entrench themselves and get an even bigger hold on the market."

As a man who had been in business ventures himself, he was bound to agree, and could only add, "Well, if they continue throwing men out of work it will turn them into Socialists. And what do you think the small business man who goes under in the struggle is going to do? You know, I think it really accounts for these motor bandits."

I told him that was my opinion, too. I might also have said that the capitalist, whether on the rocks, or secure behind the fortress of profits, bombs, bayonets, poison gas—real or vocal—is just the same and will stick at nothing to gain his ends—a fact which unemployed demonstrators and rioters might learn with advantage. What I did say, however, was that probably the hardship endured by those out of work also accounted for the increasing number of suicides.

"Oh, don't speak of suicides," he said, seemingly anxious to dismiss the subject, and giving an order for a second cup of tea. It was difficult not to have the suspicion that one of his hard-pressed debtors, or an employee he had dismissed had thus found a solution, "whilst of unsound mind," to the hopeless struggle for existence. At any rate, with that remark the subject of economics dropped and this journal is uninterested in what followed.

A point which the writer would like to emphasise, however, is that the small capitalist with whom he had been in conversation was sufficiently thoughtful and understanding to perceive the inherent tendencies and consequences of capitalism, which translated into reality for the working class mean abominable conditions of living.

Monopolisation of the ownership of the bulk of the means of production by a few giant organisations is proceeding apace, and the continual reorganisation, rationalisation, and use of more intricate and labour-saving machinery which the capital resources of these organisations enable them to buy, must mean also, amid the overabundance of wealth and luxury which the working class have produced, a tendency for growing numbers of this class to be struggling to live on the dole and living in conditions of abject poverty.

The application of the only remedy for the workers—Socialism—will result from their own effort alone, and we urge them to do the little brain work necessary to understand the nature of their class enslavement. When they have done that, no force on earth will prevent them establishing a society wherein a condition of things characterised by sanity will be enjoyed by everyone.

G. M. A.

Debates.

The S.P.G.B. versus The Tory Party.

A Debate organised by West Ham Branch was held at Stratford Town Hall on Sunday, November 27th, 1932, between the Socialist Party of Great Britain and the Conservative Party. Comrade E. Hardy—for Socialist Party of Great Britain.

Mrs. E. Tennant—for the Conservative Party.

Comrade E. Hardy commenced his case for Socialism by stating two points on which the two parties would probably be in agreement—firstly, the imperative need for a solution to the problems of poverty, unemployment, preventable illness and death, war, and industrial strife; and secondly, that individual action was inadequate, the needs of the present situation requiring that the working class shall take organised political action by means of the vote to secure their emancipation from these evils.

He pointed out that the Socialist case is based on the principle that human beings are dependent on the material conditions which surround them, and that the programmes of other political parties proved that they also recognised that favourable economic conditions are necessary to a happy and satisfactory life.

He then defined the two classes which make up capitalist society:—

The working class, which comprises all those who, not having property incomes, have to sell their services—their mental and physical energies—their labour power, in order to live, the alternative being charity, robbery or dependence on the State; emphasising at the same time that these are the wealth producers; and

The capitalist class, made up of those who live on property incomes—rent, interest and profit—who own the means of production and to whom the wealth produced by the workers belongs.

He showed that, arising out of these conditions, the capitalist is able to get a return over and above the sum of money he invests for the simple reason that out of the wealth that the working class produce but do not own they only receive in the shape of salaries or wages a fraction. And further, that this fraction, speaking generally, is based on the cost of living of the worker according to the particular trade, industry and country, and under the conditions prevailing at any given time.

The speaker then proceeded to lay stress on the need for the establishment of Socialism. He said that a Socialist understood the evolution of society and the necessary place that capitalism occupies in that evolution. In its early days it had enabled society to develop to an enormous extent its productive powers. It had broken down national barriers and exclusiveness, it had modernised the

backward nations, it had destroyed the isolation of rural life and freed the subject class from being tied to land and locality. It had developed the money system of exchange, and facilitated the division of labour. Now, however, capitalism prevents the workers from gaining the benefit of the development of the productive forces.

The Socialist's solution to present-day problems was not therefore utopian, nor based on class hatred, but on the need to solve the social problem by instituting common ownership of the means of production and distribution. It was on these grounds alone that the Socialist Party of Great Britain invited the support of the working class.

Mrs. Tennant (a Conservative Parliamentary candidate), speaking on behalf of the Conservative Party, made it clear during her first remarks that she was under the impression that she was opposing a party which supports the Labour Party, and therefore made little serious attempt to state a case against Socialism and the S.P.G.B.

After saying that it was always easy to legislate and make a perfect plan on paper, Mrs. Tennant stated that the Conservative Party were the first people to become alive to the industrial horrors of the 18th and 19th Centuries, and went on to mention in detail the various reforms for which the Conservative Party were responsible, for example:—

The placing of the first Factory Act on the Statute Book in 1802; the Combination Law in 1824, giving rise to the Trade Union Movement; the Ten Hours Act, 1847; the first Act for Compulsory Education, 1870; Workmen's Compensation Acts; Pensions Acts, etc.

She also gave the Conservative Party credit for having reduced unemployment during the years 1924-1929, for improving this country's trade balance by £63,000,000, and for having built a record number of new houses.

And just when "things were looking a little brighter" the country returned a Labour Government, because, she stated, they promised a new heaven and a new earth. They promised to clear the slums and cure unemployment (then about one million) in three weeks. But they did none of these things. The "Socialist" M.P.s agreed to nine-tenths of the cuts adopted by the National Government, and unemployment increased. She was now afraid that the "Socialists" new programme of nationalisation for the banks, industry, agriculture and transit would be dangerous to the workers because it would stampede capital and order. It would cause increased unemployment, higher food prices and greater taxation.

She said that Karl Marx had inaugurated the Class Struggle, and cited Russia as an example of the low standard of life to which this country would sink if the "Socialists" had their way.

Comrade Hardy, replying, regretted in the first place that his opponent had mistaken the Socialist

Party of Great Britain for a party supporting the Labour Party. He pointed out the consistent opposition of the Socialist Party to the Labour Party ever since that party's formation in 1906 (two years later than the formation of the Socialist Party of Great Britain), and denied emphatically that the Socialist Party gave the slightest support to nationalisation.

He pointed out that it is absurd to say that the Conservative Party were the first people to realise the horrors of industrial capitalism. The working class had, of course, been well aware of them for years, and the Conservative Party's factory legislation, for what it was worth, was generations late. He pointed out that some of the reforms claimed by the Tories were also claimed by the Liberal Party. He was prepared, however, for the sake of argument to give the Tories credit for them all. The very need for reforms was the condemnation of capitalism. The Tories have to "protect the workers"—against capitalism. The only remedy was the abolition of the wages system.

It is not true that Karl Marx had "initiated the Class Struggle." He had merely pointed out that it existed, and that it arose out of the basic contradictions of capitalist society.

Speaking of housing, Comrade Hardy said this problem, after having been "solved" in turn by Tories, Liberals and the Labour Party, was still with us. According to Sir E. Simon, in a letter to *The Times*, February 12th, 1931, "the position of the slum dwellers is worse than it was ten years ago." There was, properly speaking, no housing problem for the working class. What did exist was a poverty problem which could not be solved within capitalism. The Tories said they gave the workers the vote in 1867. Why 1867? Fifty years earlier, in 1819, the workers demonstrated peacefully at Peterloo to ask for the vote. A Tory Government killed and wounded numbers of them.

Proceeding to deal with the historical case against capitalism, he pointed out in some detail that capitalism after first developing the power of production was now making frantic efforts to restrict it again, and having brought the rural population to the towns, capitalist reformers talked of solving unemployment by sending them back again to the country. There was even an attempt to return to barter in a large number of countries at the present time.

Capitalism was unable to use its resources to the full, and had outlived its usefulness to mankind.

Mrs. Tennant's final remarks were to the effect that it was easy for the Socialist Party of Great Britain to sneer at 95 years of Government experience, and she submitted that when the Socialist Party of Great Britain was in power there would be many disillusionments. Karl Marx had never governed so much as a puppy-dog, "so it was

all paper legislation." She again referred to Russia as an example of Socialism. Russia had failed to feed her people, which was a very serious accusation to bring against a country. She was afraid this beautiful system of Socialism would not materialise until human beings were perfect.

In reply, Comrade Hardy stated that Russia was not a Socialist country, but one in which industry was run through the medium of private and State Capitalism. It was still a backward country, suffering from the legacy of inefficient Czarism. Why not look at the spectacle of poverty in rich U.S.A. The *Daily Telegraph* had recently quoted the American Federation of Labor that 60 millions, one-half the population, will be on the verge of starvation this coming winter. America, he pointed out, was not a backward country, but one of the most highly developed capitalist countries in the world.

He said his opponent had put the only case possible for the Conservative Party, that of social reforms. These had been tried and found wanting. He reiterated that there was only one solution to the problems confronting the working class, and that was to establish the common ownership of the means of production and distribution by the method advocated by the Socialist Party of Great Britain.

The debate was well attended. There were about 800 present and many were turned away owing to lack of room. A collection was taken of £5 10s. and about 27s. worth of literature was sold.

The S.P.G.B. versus the I.L.P.

A debate was held between the S.P.G.B. and the I.L.P. at Bethnal Green Town Hall on Friday, December 2nd. The I.L.P. speaker, N. Dunbar, claimed that the revolutionary ferment among the workers since the Bolshevik seizure of power has completely changed the problem of overthrowing capitalism. The workers have made inroads into capitalism by such achievements as unemployment insurance, and that the I.L.P. policy of Workers' Councils is the road by which the workers will achieve Socialism. The present I.L.P., since the Bradford Conference early this year, is a fundamentally different body from the old I.L.P., and must not be held responsible for its predecessor's actions.

Comrade Hardy, for the S.P.G.B., denied that the problem is essentially different from what it was before the War.

To get Socialism, the workers must gain control of the political machinery, yet the General Election last year showed the workers, employed and unemployed, prepared to vote the capitalists into power. Russia is not an instance of Socialism but of state capitalism, and in any event the I.L.P. cannot

claim any credit for what the Bolsheviks did. In 1917, when Kerensky was in power and oppressing the Bolsheviks, leaders of the I.L.P. sent this capitalist government a telegram of congratulation, urging the Russians, subject to certain conditions, to continue the war. (See *Labour Leader*, May 3rd, 1917.)

Social reforms like unemployment insurance, are methods by which the capitalists buy off working class discontent, with the result that unemployed riots are far less formidable than they were before the War.

The I.L.P., right from its formation, entered into electoral arrangements with the Liberal Party and had never fought elections on the simple demand for Socialism. The new I.L.P. is just like the old, a reformist body. The claim that the I.L.P. stands for any definite policy, cannot be maintained. The *New Leader*, for weeks past, has been publishing letters from influential I.L.P. members disputing with each other as to what the I.L.P.'s policy is?

The debate was well attended and both speakers obtained a good hearing from the audience, many of whom appeared to have Communist sympathies.

The S.P.G.B. versus the Co-operative Guild

A debate was held on Tuesday, November 15th, at Sutton, Surrey, between Comrade Ginsberg, representing the S.P.G.B., and Mr. Atkins, representing the Sutton Branch of the National Guild of Co-operators. The audience was small but interested and attentive.

A. F.

Foreign Debts and the Workers

The continuance of the world depression drives the spokesmen of capital to all kinds of shifts to account for the trouble, and for the growing army or unemployed.

One of the "explanations"—the international debt question—is very much to the front just now and causing much heartburnings to small investors, who see their savings dwindling under the stress of the economic situation. The latter are always the most vulnerable material for the propaganda of reduced taxation, and while they throw up their hands in holy horror at the suggestion that Ireland should be so unprincipled as to back out of previous debt arrangements, they wholeheartedly support the idea of repudiating England's debt obligations to America.

The matter is one that concerns the master class exclusively and is no concern of the working class. It is just a question of which group of masters shall reap the principal share of the surplus wealth wrung from the workers and is simply the peace-time reflection of the war-time process. Incidentally, the anxiety of the capitalists to get rid of their foreign

debts shows the absurdity of the Labour Party argument that the capitalists can pass such burdens on to the backs of the workers.

The present international debt ferment originated in the capitalists of one country giving credit during the War to those of another country for war material, on the understanding that the lenders would obtain substantial interest for their obliging conduct. Many years have passed since the debts were incurred, and the material that was purchased, being of an unproductive nature, mostly went up in smoke—carrying multitudes of workers with it. The capitalists of the debtor countries look with growing dismay at the constant drain on their profits caused by the recurring interest payments on this unproductive expenditure, and with still greater dismay to the dwindling prospect of getting rid of the capital burden for a long time to come. Consequently, by emotional appeals, veiled threats and various financial dodges, they seek to cajole the creditors into allowing them to back out of their "sacred" pledges and to throw overboard as much of their liabilities as possible. It is just another aspect of the shady side of commerce.

The international intertwining of business relations helps the debtors' game. This was well illustrated by the financial conduct of German capitalists a year or two ago, when they threatened to go bankrupt if forced to meet certain short-term loan obligations. The creditors were faced with the threat of losing all if they forced the immediate payment. While the creditors politely fell out among themselves, Germany just smiled and sat tight.

In the middle of the present debt discussion a report came through from America which pointed again to the real source of low prices and business depression—a too lavish nature and a too highly developed productive force for a social system based on production for profit instead of production to meet the needs of all. The following quotation is from the *Evening Standard* for December the 9th, and appeared under the heading, "Another Cotton Crop Shock":—

The market estimates of the American cotton crop this year have been all along quite out of touch with actualities. Successive shocks have been administered by the monthly publication of the official estimates, which have been well in excess of private forecasts. The biggest shock of all has come from the latest Bureau report just issued.

This estimates the crop at 12,727,000 bales, an increase on last month's official estimate of 780,000 bales, whereas the market was looking for, at most, an increase of about 250,000 bales. As a consequence the price in Liverpool has fallen from 5.64d. per lb. a month ago to 5.03d. per lb. now, while the price in America has dropped from 6.30 cents to 5.75 cents per lb.

Evidently the private estimators have misjudged the probable effect of weather conditions and the possibilities of boll-weevil damage. That the latter has been very small is demonstrated by the high average yield of 162.1 bales per acre.

The settlement of the debt question will not of

itself set the wheels of business turning rapidly again. The easing of that problem is reserved for bankruptcies and the boll-weevil.

Anyhow, from the workers' point of view it is not unkind America or France that is the root of their troubles, but the ruthless exploitation by capitalism for the profit of the few. GILMAC.

Notes by the Way

The Depression not Due to Gold Shortage

It did not take long for the facts to disprove the argument that gold shortage was the cause of the depression, and each month the mounting figures of gold production confound the forecasts of a progressive decline. According to the latest figures (*Evening Standard*, October 21st, 1932) it is estimated that the mining output this year will exceed that of 1931 and all recent years, and will be nearly equal to the record output of 1915. In addition to the increasing output of the mines, hoards of gold are being released from India, China, Russia and Australia.

The gold stocks of 48 central banks and governments are now about £2,500,000,000, which represents an increase of 16 per cent. since August, 1928. It is obvious that if a smaller quantity of gold was sufficient to carry the vastly greater volume of trade in 1928, the present depression, which coincides with a larger quantity of gold, cannot be due to gold shortage.

On the day following the above report about gold reserves, it was announced that a new 40-mile extension of gold-bearing ground on the Witwatersrand had been discovered (*Evening Standard*, October 22nd), promising a further increase in gold production.

A Useless Sacrifice

The official policy of the Communist Parties, many times re-affirmed, is that the only road to the conquest of political power is by street-fighting, leading on to civil war. The S.P.G.B. rejects that view on many grounds. One of them is the useless sacrifice it involves for those who actively adhere to it, useless to the Communist Parties and to the working class. A recent Court case is worth notice. Mr. Sidney Elias, a Communist paid official, was charged with inciting other Communists to stir up "hunger marchers" to commit acts of disorder. The jury found him guilty and he was sent to prison for two years, which means that he will be prevented for that period from assisting his party to propagate its views, and when he is released he will be physically and mentally less fit to carry on that work than he is now.

Against this the Communists will argue that the case has a propaganda value in that it enabled

Elias to gain publicity for his party's principles. In fact—as usually happens in trials of Communists—instead of boldly declaring his principles he allowed his counsel to repudiate them on his behalf. He said that there was no evidence that the letters written by him actually reached the Communists who were alleged to have been incited to disorder. He denied that they were incited. He said that when he used the words "fight" and "struggle" he meant them "merely in the political sense"; and that the letters only urged demonstrations, and "demonstrating was a perfectly legitimate way of manifesting one's sense of grievance." (Report in *Manchester Guardian*, December 13th). In short, the propaganda effect of the trial is merely to broadcast the impression that the Communists are misrepresented people who really stand by constitutional methods. In other words, the defence put up at the trial was a repudiation of the Communist policy of street-fighting and civil war.

The whole thing is futile and regrettable, both from the point of view of Sidney Elias and from the point of view of any unfortunate workers who may have been influenced by the stupid Communist propaganda.

A Curious Sidelight on Empire

The conflict between China and Japan produced a strange incident, which is recorded in the *New Statesman* (October 8th). On March 11th, the League of Nations Assembly decided to set up a negotiating committee. The British Government, whose actions had shown distinct leanings towards Japan drew up a list of governments to be members of the Committee. The smaller powers, whose sympathies are with China, drew up an alternative list, including South Africa. The two lists were voted on, and although South Africa is in the Empire and Portugal is outside, Portugal was appointed and South Africa defeated by one vote, the vote of Sir John Simon representing the British Government. The "ties of Empire" are not allowed to interfere with the economic interests of the British capitalists.

The I.L.P. and Electoral Reform

Mr. Tom Kirk, who a year or two ago confessed that his party—the Labour Party—had never preached Socialism, and that only the S.P.G.B. had stood by Socialist principles, is now in the I.L.P. (Maxtonite). He states in the *Railway Review* (November 18th, 1932) that the Labour Party agreed with the Liberals and Tories to the clause in the Representation of the People Act which compels Parliamentary candidates to deposit £150, because they saw that it would hamper the small and poor organisations (the S.P.G.B. for example). Mr. Kirk calls this a "dirty agreement," presumably because the I.L.P. (which has

now lost those of its supporters who used to donate money by the £100 and £1,000 will itself be hampered by the clause in future.

It would, however, be interesting to know whether the I.L.P., when it had plenty of money, ever protested against the dirty agreement.

Is the Russian State "Withering Away"?

The Marxian view of the State has caused a good deal of embarrassment to the Bolsheviks in their efforts to square the actual situation in Russia with the idealisation of it which they offer in their propaganda. Engels' words about the State "withering away" have compelled them to indulge in all sorts of contortions. Engels wrote:

The first act by virtue of which the State really constitutes itself the representative of the whole of society—the taking possession of the means of production in the name of society—this is, at the same time, its last independent act as a State. State interference in social relations becomes, in one domain after another, superfluous, and then dies out of itself; the government of persons is replaced by the administration of things, and by the conduct of processes of production. The State is not "abolished." *It dies out.*

(*"Socialism, Utopian and Scientific,"* by F. Engels, Swan Sonnenschein Edition, 1892. P. 76.)

The Communists claim that they are building Socialism in Russia and that they have performed the act which—in Engels' words—should prelude the withering away of the State. Some of them therefore take the logical course of claiming that the State in Russia is indeed withering away. Thus the *Labour Monthly* (a Communist journal) claims in its September, 1931, issue, that

There are, in fact, in the Soviet Union to-day, with the enormous development of the initiative of the masses, of their participation in the ordering of social life, and with the advance towards abolishing the distinction between town and country, elements of this "withering away" already perceptible. (P. 588.)

Unfortunately for the *Labour Monthly* Molotov, Chairman of the Council of People's Commissars, admits that this is not the case. In a thesis presented to the 17th Conference of the Russian Communist Party early in 1932, he said, concerning Russia:

Not only does the class struggle not end, but in some sections and at some periods it may and will become considerably sharpened
(*Labour Monthly*, April 1932. P. 248)

Naturally, where there is a class struggle there is no possibility of a withering away of the State, and the *Labour Monthly*, summarising Molotov's discussion of this further point, says:

The Thesis also considers the question of the "withering away" of the State, but points out that while the establishment of the Proletariat Dictatorship has already transformed the State into a semi-State, the conditions of internal and external class-struggle demand a strengthening of the State in the immediate future. . . . (P. 246.)

It is amusing to be told that the Russian State

—which is a fairly faithful copy of the Czarist Government in respect of its bureaucracy, its political police, and its arbitrary use of its repressive powers—is a "semi-State," whatever that is supposed to mean. But the cream of the jest is Molotov's further remark that the Russian State is to be strengthened in the immediate future "as a condition for its eventual 'withering away.'" Lloyd's George's "war to end war" has nothing on this.

Can the Capitalists Afford Reforms?

Mr. George Hicks, in a pamphlet, "The Struggle for Socialism," puts forward the incorrect notion so much favoured now by the Communists and the I.L.P. that the capitalists are so poor that they cannot afford to buy off working class discontent with any more reforms. Mr. Hicks says:

British Capitalism, in relation to World Capitalism, is in such a fix that it is sheerly impossible for it to grant ameliorative measures to the workers. It is in a condition of stagnation and decline. It can give no reforms, make no concessions. Gradualism, Reformism, Fabianism, Lib-Labourism—all those "isms" which enabled the Labour Party hitherto to make its broad appeals—have experienced a withering at the roots."

In spite of being widely held among the reformists, this doctrine is utterly untrue. In spite of the impressive-looking figures which represent the cost of the so-called social services—education, old age pensions, unemployment pay, etc.—the capitalists spend only a very small part of their wealth on them. The absurdity of the argument can be illustrated in another way. Since 1921 wage reductions recorded by the Ministry of Labour total something like £600 millions a year, which far exceeds the whole cost of the social services. That is to say, the amount saved to the capitalists by cutting their labour costs far exceeds their total expenditure through taxation on protecting the workers against the worst effects of exploitation.

Prophecy is dangerous, but it is safe to say that as soon as the capitalist parties find that the only way to win elections is to promise more "reforms," they will vie with one another at it just as they have done in the years 1918 to 1929.

Already at a Midland town the Tory members of a Public Assistance Committee have found their activities so damaging to them in the local elections that they have refused to work it unless the Labour members of the local Council will sit on the P.A.C. with them.

Hardly was Mr. Hicks' pamphlet off the press when the Government announced its slight concessions over the means test.

Incidentally, if it were true, and the electors were aware, that capitalism could give no more reforms, Mr. Hicks—who got elected to Parlia-

ment by promising reforms—would stand very little chance of re-election on his reform programme.

Lands Without Unemployment

Just at present, while the building of factories, railways and productive equipment of all kinds enables the Russians to claim that unemployment is at a minimum and that paying unemployment relief is unnecessary, the I.L.P. adds its voice to the chorus of praise for the "land without unemployment." Those who know the chequered history of the I.L.P. and its almost complete ignorance of the working of economic forces will be less impressed by what the I.L.P. says about Russia than by what it formerly said of America, France, Belgium, Australia, Italy and various other spots in which the I.L.P. has discovered capitalist "solutions" for the problem of unemployment.

"The Socialist Programme," published by the I.L.P. in November, 1923, tells us that

general unemployment has nothing to do with tariffs or free trade. It is determined by the monetary policy pursued by a country and not by its tariff policy. (P. 26.)

So they looked round to see if they could find some countries pursuing an I.L.P. monetary policy; and sure enough they found several.

That is shown by the facts of unemployment in the world to-day. There is none to speak of in France and Belgium, very little in Italy, nor has there been ever since the war. Why? Because the Governments and central banks of those countries have never restricted credit and thus destroyed the purchasing power of a large part of their populations. (P. 26.)

America, according to the I.L.P., was not merely perfect, it was better than perfect; not only no unemployment, but a shortage of labour—

The banks have lent freely, and there is now an actual shortage of labour. . . . There is no unemployment and no depression in the United States to-day. (P. 27.) (Italics ours.)

The I.L.P. was, of course, largely wrong about its facts and wholly wrong about the effects of applying its capitalist credit theories. In due course they had to admit this, and a writer in the *New Leader* said of the American banking system:

I gather from some enquiries that we in England have gravely over-estimated the scientific work of this banking organisation.
(*Brailford, New Leader*, Feb. 24th, 1928.)

In the same way the I.L.P. will discover before long that they have "gravely over-estimated" the possibilities of planning Russian production and distribution in conditions which both at home and abroad are essentially capitalistic and which therefore preclude planning and preclude the solution of the unemployment problem.

In Russia some phases of the problem have been the enormous number of workers constantly in process of leaving one job and travelling elsewhere to look for a better one, and the over-population

of the villages. Recently the Government has tried to check the former by imposing penalties on workers who leave their jobs, and has at the same time drastically cut down the staffs of State concerns in order to make them more profitable. In due course Russia will again have to recognise and deal with the normal capitalist problem of serious unemployment, and the I.L.P. will have to set sail for some new mythical paradise. H.

"THE REORGANISATION OF THE STATE"

By P. J. Harwood, "Corona," Ovingdean, Sussex. Pp. 196. 1s.

In this book the author tries to explain what is wrong with the world and to suggest political and personal solutions. As a guide to the worker who seeks a way out of the morass in which he finds himself the book is worthless, owing to the failure of the author to approach the problem in a scientific manner. While offering his views on what the "State" ought to be, what ought to be the part played by "capital," "individualism," "socialism," "finance," etc., Mr. Harwood clearly does not understand what the capitalist system of society is, how it works, and the way in which its parts are interdependent. This in turn is due to his inability to see that no useful examination and exposition can be made unless terms are properly understood and clearly defined. Most of Mr. Harwood's terms are not defined at all, others are given meanings which merely serve to confuse the issue. Thus capital is defined as "tools and necessary preliminary equipment" (p. 67), a misleading definition which would make every social system a capitalist system. Socialism is defined as "combinations of individuals" (p. 97), which would include every football team and every capitalist company. This is not a book which can be recommended.

P. J.

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City (Room 7), where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	... ...	Tooting Broadway, Garratt Lane, 11.30 a.m. Tottenham, West Green Corner, 8 p.m. Victoria Park, 11.30 a.m. Walworth, Liverpool Street, 11.30 a.m. Finsbury Park, 11.30 p.m. Clapham Common, 3.30 p.m. Prince of Wales, Paddington, 7.30 p.m. Ridley Road, Dalston, E.8., 8 p.m. Highbury Corner, N., 8 p.m. Tottenham, West Green Corner, 8 p.m. Bethnal Green, Salmon and Ball, Cambridge Road, E., 8 p.m. Prince of Wales, Paddington, 8 p.m.
Monday	... ...
Wednesday	... ...
Thursday	... ...
Friday	... ...

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to H. Solly, 2, Winthrop Street, Brady Street, E.1.

BIRKENHEAD.—Secretary, H. Dawson, 58, Willmer Road, Birkenhead. Branch meets every Thursday 7.30 p.m., at 36, Claughton Road. Lecture and discussion after branch business. Non-members invited.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Hill Top Café, 197, Spring Hill, 1st Sunday in month at 11 a.m.

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Communications to Sec., at 396, Heathway, Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Thursday, at 7.30 p.m., at Limehouse Library (Committee Room) Commercial Road, E.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., at 15, Barclay Place.

GATESHEAD.—Secretary, Edmund Howarth, 95, Bewick Road, Gateshead, Co. Durham, where branch meets every Tuesday, 7.30 p.m. Discussion after branch business.

GLASGOW.—Branch meets 2nd and 4th Fridays in month, 8 p.m., at 60, Fisher Street, Dennistoun, Glasgow, E.1. Sec. W. Law, at above address.

HACKNEY.—Branch meets Tuesday, at 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec. E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 7 p.m.—10.30, 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., J. Rodgers, 136, Rockingham Lane.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover Street, S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest Street, E.1. Branch meets on Fridays at Whitechapel Library, 8 p.m.

TOOTING.—Branch meets alternate Tuesdays at 8 p.m., Springfield Social Club, Garrat Lane, Tooting, opposite Burntwood Lane. Sec., J. Keable, 15, Haverhill Road, S.W.12.

TOTTENHAM.—Sec., F. A. Hammond, 64, Stroud Green Road, N.4. Branch meets 1st and 3rd Fridays in the month, Room 2, 7, Bruce Grove. Discussion after branch business. Public invited.

WALTHAMSTOW.—Sec., S. E. Williams, 64, Bloxhall Road, Leyton, E.10. Branch meets at Workmen's Hall, High Street, 2n¹ and 4th Mondays each month.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by R. H. TAYLOR & SON, LTD., 55/57, Banner Street, London, E.C.1. (T.U.C.)

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain

HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

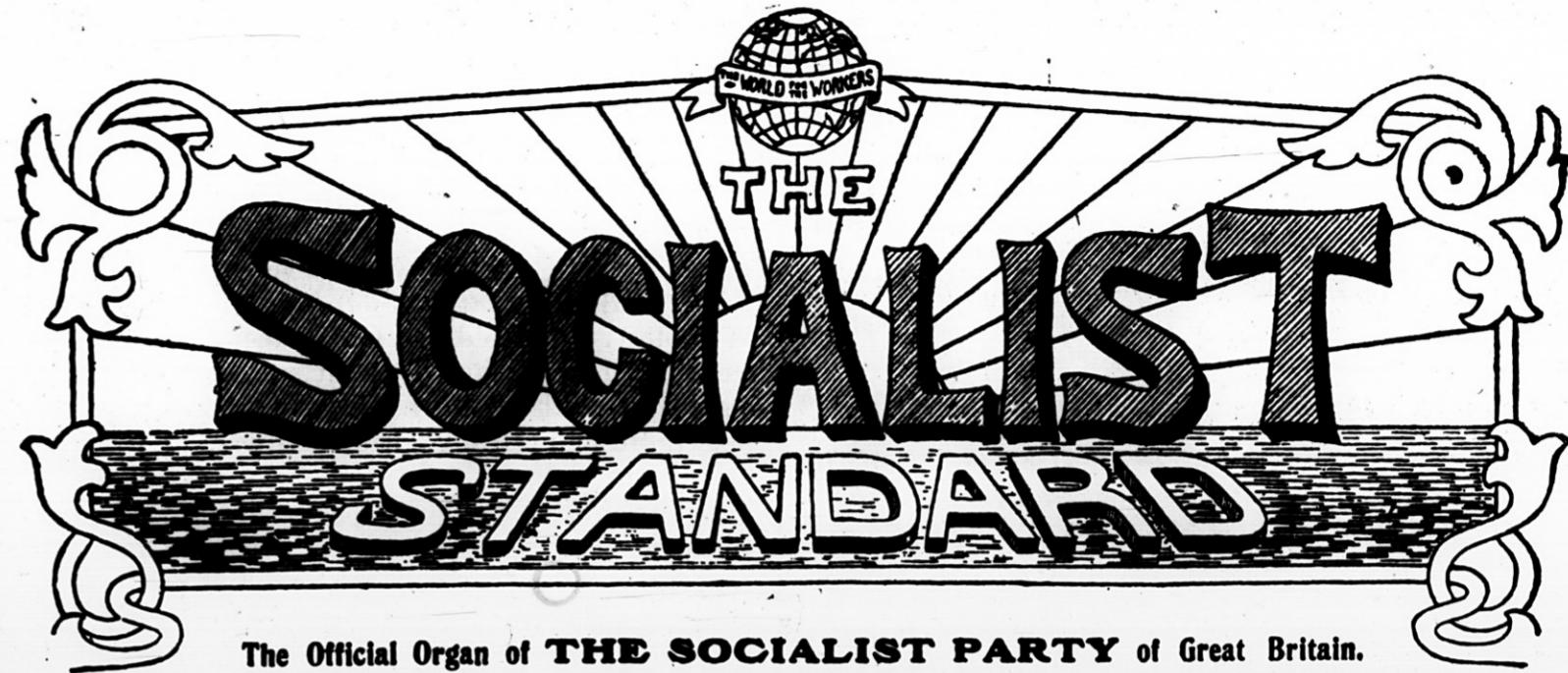
Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

Branch Directory—continued.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

No. 342. VOL. 29]

LONDON, FEBRUARY, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

GOLD IN KENYA	81	THE AUSTRALIAN TRADE UNION CONGRESS	88
TECHNOCRACY: OLD FALLACIES IN A NEW DISGUISE	83	NOTICE TO CORRESPONDENTS	91
MARXISM AND RUSSIA	85	MORE CONFUSION IN BRITISH COLUMBIA	91
THE POSTMEN'S PAY	86	NOTES BY THE WAY	92
NOTICES OF MEETINGS AND DEBATES	87	THE SOCIALIST FORUM	94
WHO OWN THE SHARES?	88	MARX AND THE LABOUR PARTY	95

Gold in Kenya

A first-class illustration of Capitalism's dealings with the natives in economically backward countries has occurred in Kenya, British East Africa.

Kenya is a British colony with a population of about 2,300,000, consisting for the most part of African natives, but including about 40,000 Indians, Arabs and Europeans (mostly British). The natives live chiefly by their ownership and cultivation of the land. They produce rice, coconuts, cotton and simsim, among other things.

The pleasantness of Kenya attracted Englishmen (principally the type whom the English ruling class invites the rest of the world to admire—the Public School men), who were settled by the aid of generous Government grants.

The British Government announced (with characteristic and hypocritical magnanimity, since it cost them nothing) through an Ordinance of the Kenya Administration that they held themselves as "Trustees for the Natives."

A leading article in the *Manchester Guardian* (January 2nd, 1933), gives some quotations from the Native Lands Trust Ordinance of 1930. The article says:—

In Kenya, said the Conservative Government,

"the interests of the African natives must be paramount," and should the interests of the immigrant races conflict with them the interests of the natives "should prevail," for the Government regard themselves as exercising a trust on behalf of the African population, and they are unable to delegate or share this trust. Accepting this responsibility, the Labour Government of 1930 declared that they had incurred a trusteeship which cannot be devolved and from which they cannot be relieved; that all proposals must be carefully examined, at the outset, from the standpoint of their effect on the native races; that, as regards the possession of land, the first essential is to remove finally from the native mind any feeling of insecurity in regard to his tribal lands; that any breach of the Ordinance of 1930 regarding the use "for ever" of the Reserves by the natives, would be not only a flagrant breach of trust, but also, in view of its inevitable effect upon the natives, a serious calamity from which the whole colony could not fail to suffer; that no taking of land, however small in extent, should ever be for the mere private or personal profit or other advantage of any individual, whether of European, Indian, African, or other race.

The Ordinance also stated that where land was required for "public purposes, such as roads, hospitals or railways," there should be a "formal public inquiry by some competent tribunal"; that land given as compensation should be not only equal in area to that taken away, but "as far as possible, equal in agricultural quality, convenience, and market value."

It will be noticed that the lands should belong

to the natives "for ever," and that "no taking of the land should ever be for the mere private or personal profit, or any other advantage, of any individual, whether of European, Indian, African, or other race."

These quotations from a government document show how really generous the British capitalist class can be—when it suits them. But, at the moment, it does not suit them. Barely two years had passed when circumstances arose which induced the Government to reverse completely its former policy. A Bill is now before the legislative council of Kenya which destroys the undertakings given to the natives in the Ordinance of 1930. The new Bill will make possible the indiscriminate eviction of the natives from the lands, and not, as the Ordinance of 1930 stated, only for such purposes as "roads and hospitals." No longer will there be any question of compensation with "land equal in area and extent" or of a "formal public inquiry before competent tribunals" or "native councils." There is only vague intention now of monetary compensation. Completely and callously ignoring the obvious fact that monetary compensation is of doubtful value to natives ignorant of the uses of money, and whose lives have been linked with the soil for centuries. As the Chief Native Commissioner is reported to have said: "The Bill involves a conception of the use of land foreign to native ideas, and no amount of compensation would induce them to agree to the leasing of the land voluntarily." Exactly; that is why a law is required to take away what was, a few years ago, theirs "for ever."

It is now almost a foregone conclusion that the natives of Kenya are going to lose their land. And why? What is the reason for the Kenya Administration's complete change of policy? The answer is—Gold. Gold has been discovered in Kenya. Permits have been issued to prospectors to exploit the gold reefs on land other than that owned by the natives. The Land Trust Ordinance of 1930 stands in the way of further development. It will go, notwithstanding the protests of the *Manchester Guardian*, and the dignified pleadings of the Archbishop of Canterbury. The *Manchester Guardian* quotes the Chief Commissioner as saying:—

I am afraid we shall have in some cases to violate their most cherished and sacred traditions by moving natives from a piece of land on which they had the right to live and setting them up on another piece, the holders of which would have the right to eject them.

And, comments the *Guardian*:—

We have not consulted the natives because we already know their answer; we might at least be spared the hypocrisy of the suggestion that we are determined to thrust on them a prosperity beyond their mental range. . . . But such injury done in the present will bring, as it ought to bring, a future retribution to those who perpetrate it. We are teaching the natives of Kenya, and of vast regions

beyond Kenya, that the most solemn undertakings do not bind us even for a few years, when they conflict with our own private interests.

Quite so. But neither the *Guardian*, nor any of the distinguished clerics, journalists, administrators, and others who have bombarded the *Times* and *Manchester Guardian* with their letters of protest, have told the Government how the gold reefs can be exploited without evicting the natives, on whose land most of the gold reefs are. They just protest; and the British Government ignores the protest.

The *Daily Mail*, for January 16th, published an article from a prospector, who described the "excitement" of the whole white colony at the prospect of great wealth. The *Morning Post* dismissed the suggestion of friction between the Europeans, and writes with ill-concealed satisfaction of the "unsophisticated" attitude of the natives regarding the value of gold. The *Morning Post*'s contention that there is no friction between Europeans is not borne out by the evidence of those on the spot. Not only have permits been issued to prospectors to work land that does not belong to the natives, but, even before the new Ordinance becomes law, the driving of the natives from their land has begun, as the following extract from a letter sent to the *Manchester Guardian* by the Archdeacon of Kenya shows:—

Great dissatisfaction is felt at the method of assessing compensation to be paid to natives evicted to make way for goldworkers. One man, a European police constable, is charged with the duty of assessing compensation. His awards have at times given dissatisfaction. Compensation for houses removed has been very low. Our association considers that a small board of three, on which one African shall sit, would be a fairer method of awarding compensation.

While many of the Europeans have been exemplary in their relations with Africans, others have used their fists on Africans. When complaint has been made to District Officers, they have given justice to complainants, but others fear to complain and bottle up resentment. It is reported that hats have been knocked off natives who do not remove them in the presence of certain Europeans.

There is great dissatisfaction that those evicted by order of Government are left to shift for themselves in the matter of finding new homesteads. We think that this ought to be a responsibility of the Government which orders their removal.

It is fairly safe to say that these incidents are nothing compared to what will happen once the new Ordinance becomes law and the gold rush starts.

Another extract from the same letter throws light on the plea that capitalist civilisation brings a higher morality to the natives:—

The inevitable prostitution of native girls and young married women, happily confined to the vicious elements of the goldminers, is breaking down not only personal morality but also valuable native custom. By native law, a father or husband has a right to proceed at law against one who cohabits with a daughter or wife. European law conflicts with native law. Many Africans feel that this divergence will undermine a most valued native safeguard.

What is the attitude of Socialists? Shall we add our voice to the protests? Nothing could be

more futile. There is only one way of ending colonial exploitation, and that is to end the system of Capitalism, which perpetrates it. The greatest service we can do the natives of "backward races" is to get the working class to want, and work for, Socialism. That is our job.

H. W.

Technocracy: Old Fallacies in a New Disguise

A distortion of the truth can be as misleading as a downright lie. A new craze called Technocracy has swept America and is now being lapped up eagerly by all kinds of muddleheaded people in Great Britain. It is based on a distortion of the facts and leads to thoroughly unsound conclusions. The word itself means Government by technicians or engineers. If its advocates desired nothing more than to be governed by politicians who are engineers, Al Smith, former Governor of New York, has given them their answer:—

As for substituting engineers for political leaders in running the country, I cannot refrain from mentioning the fact that we have just finished an era of government by engineers in Washington, and that the people did not seem to like it.—(*Daily Mail*, January 6th, 1933.)

Al Smith refers, of course, to President Hoover and his Government.

Technocracy, however, has come to mean much more than that. Some ten years ago a group of American engineers and scientists working under the leadership of Mr. Howard Scott co-operated with the Industrial Engineering Department of Columbia University to conduct what they called an "Energy Survey of North America." They investigated the physical resources of the area and their development during the past century and were greatly impressed with the advance in productive capacity that has taken place, particularly during the past 25 years. Their conclusion is that "scientific discovery and modern engineering skill have now armed mankind with powers which would ensure it a life of leisure and plenty if only they were properly employed." (*Times*, January 5th, 1933.) They believe that a 4-day week of 4 hours a day could supply all the material wants of the population of North America.

So far the argument is in general a sound one, but it is not new. It has been a commonplace of Socialist propaganda for well over half a century, and incidentally Professor Frederick Soddy and the publishers of his book, "Wealth, Virtual Wealth and Debt" (1926), claim that the technocrats have borrowed extensively from it for their theories on the above and other questions.

It is when the Technocrats come down to specific cases that they show their unscientific handling of their material, their exaggerations, and their inability to appreciate the conditions of the problem

whose solution they are thrusting on the world with all the skill of publicity experts.

Productive capacity, the output achieved by a given number of hours of labour, has indeed increased, but all the available reports of the work of Mr. Scott and his collaborators go to show that they have tripped up badly through hopelessly exaggerating the extent of the increase. The *Times* (London, January 5th, 1933) and many other English newspapers have published explanations of technocracy written by their American correspondents, and Mr. Wayne W. Parrish, who identifies himself with the movement, contributed two articles to the *New York New Outlook* (November and December, 1932). All of these writers give figures worked out by the technocrats purporting to show how productivity in various trades has grown, but all of the figures contain a flaw which is fatal to the conclusions arrived at. If we quote one or two the flaw will at once be apparent. The technocrats say that a miller in Ancient Athens produced $1\frac{1}{2}$ barrels of flour each day, while in a Minneapolis flour mill one man's output is now 30,000 barrels a day. Another illustration is taken from the iron industry. Mr. Parrish says, "Even a century ago in these United States one man produced 25 tons of pig-iron each year . . . while our modern blast furnace technique has made it possible for one man to-day to produce 4,000 tons of pig-iron per annum."

Arguing from this sort of evidence the technocrats speak glibly of each man's output increasing "thousands of times," and they see this increase at work with special force in recent years. The flaw is that they have left entirely out of account the vast amount of labour needed for the construction of the modern flour mills and blast furnaces and for the provision of fuel, transport, etc., to supply them with raw material and distribute their products. Without this information (and the United States Government Committee on Technological Unemployment has just reported that such information relating to separate trades is not available. See Industrial and Labour Information, I.L.O. January 2nd, 1933), the comparisons have little value and are in fact utterly misleading. Productivity does not increase at anything like the rate they claim.

Their false assumptions have led the technocrats to wildly extravagant conclusions, which their admirers in Great Britain have promptly swallowed. They talk about production having reached the stage at which it can almost entirely dispense with human labour. Parrish says:—

Man hours per unit of product and the labour cost per unit have dropped in recent years to levels approaching zero.

They prophesy that by 1934 unemployment in the U.S.A. will have jumped from about 12 million to about 25 million (*Manchester Guardian*, December 27th, 1932), and that even with a recovery of trade and production most of the existing unemployed cannot be absorbed again.

Now if it were true that the past 25 years have brought technical changes causing the labour needed in production to drop to "levels approaching zero," we would be faced with unemployment in the neighbourhood of 100 per cent. Instead of which the technocrats themselves place unemployment in U.S.A. at not more than 20 per cent. (*New Outlook*, November). There is, of course, a displacement of workers going on, but the extent of such displacement is small compared with the unscientific guesses of these "scientific" investigators. They give some figures themselves. The number of workers employed in American factories declined by 6 per cent. in the period 1920 to 1929, while production rose by 36 per cent., equivalent to an increase of nearly 7 per cent. per annum in the output of each worker as compared with his previous year's output. In Great Britain, according to the Balfour Committee on Trade and Industry, the increase in output of industry between 1924 and 1930 was under 2 per cent. per worker per annum. We can now see the problem in its true proportions. The increase in productivity is not the fantastic one on which the technocrats have worked, and a decline of 6 per cent. in factory employment in nine years cannot be described as a decline to "levels approaching zero."

Having misled themselves about increased productivity the technocrats quite easily slip into the old fallacy that capitalism cannot recover from its crises of overproduction. They may know something about engineering, but they know little about capitalism. Although new and more productive machines and methods are constantly being perfected they do not quickly revolutionise production as a whole, and they do not overwhelm the capitalist system.

Many inventions are throttled at birth by powerful interests that are opposed to their utilisation. Others are taken up, but owing to the heavy initial cost and the expense of training workers to use them or owing to the private ownership of patent rights, their adoption is very gradual. Taking the cost into account, the new method is rarely so much better than the old that it quickly sweeps the old off the field. It is more usual to see the old and the new side by side, the latter only slowly crushing the former out of existence. Petrol has not killed the steam or gas engine, nor has it driven horses off the streets and farms. In its early days electricity was expected to sweep all before it, but has progressed very slowly. It is 100 years since the principles later embodied in the dynamo were discovered, 50 years since electric lighting became a commercial proposition, and 30 years since electric power began to be developed on a large scale. Yet after all these years electricity is only now becoming the most important source of light and power. The technocrats have ignored facts like these. They have also made too little allowance for the wasteful organisation of

capitalist production and distribution which destroys much of the effect of high productivity.

When they assert that capitalism cannot cope with the productivity of the machine they have overlooked capitalism's crude but adequate method of dealing with the problem of "overproduction." If goods cannot be sold at a profit the capitalist does not sit down and watch his workers using his machines to pile higher and higher the mountains of unsold goods. He just gives the workers the sack and closes down the factory. The weaker firms are driven out of business. So simple, yet so effective! The unemployment thus caused does not, as Mr. Scott believes, go on increasing with great rapidity till it reaches unmanageable proportions. The curtailment of production enables the accumulations of goods to be dispersed and in due course enables production to expand once more. It is true that some of the workers displaced by machinery can never return to their former occupation, even when production expands again. A proportion of them are ultimately absorbed in new productive and distributive trades, arising in part from the increased luxury of life of the wealthiest sections of the propertied class. The fact is that markets do expand, although not as much as production. Others of the displaced workers are given employment on road-making, and similar "public works" organised by the authorities for the purpose of limiting unemployment. The remainder have to be provided for by means of unemployment pay, poor relief or private charity.

Technocracy is likely to be popular for a time because its arrival is opportune. Six months ago the capitalist experts were confident that they knew how to explain and cure the crisis by means of their currency theories and policies based thereon. Now the world has grown more sceptical and technocracy comes as a godsend, a bright new toy which will for another season keep attention fixed on non-essentials. It is a safe bet that within a year or two many of the excited followers of the technocratic myth will have rushed to the other extreme and will be busy resurrecting the neo-malthusian bogies of over-population and food shortage. The neo-malthusians have been lying low for about two years, but their advance guard will soon be on the march again. While the engineering experts led by Mr. Scott are preaching the dangers of high productivity, according to the *Daily Herald* (January 5th) the agricultural experts of the Royal Institute of International Affairs are warning us that the curtailment of production has gone too far, and that we are faced with a possible scarcity of wheat, meat and other products. ("World Agriculture," Oxford University Press, 12/6.) Thus the cyclical expansions and contractions of capitalist trade and production each in turn produces its new or revived distortions of theory.

The truth lies in neither camp. Capitalism

plunges into periodic crises of "overproduction" and exhibits its permanent contradictions of extreme wealth and extreme poverty not because of machines or the lack of them, or because of high or low productivity, but because the means of production and distribution, including the machines, are privately owned and controlled by the capitalist class. The remedy (vaguely glimpsed by some of the technocrats) is to make the means of life the common property of society and have goods produced solely for use instead of for sale and profit-making. The method (and this the technocrats entirely ignore) is the capture of political power by an organised Socialist majority.

One word in conclusion. It is obvious that the technocrats know nothing of the studies made by Marx. (They actually reject him as obsolete because they imagine that he advocated the continuance of the money system whereas in fact he recognised, as does every Socialist, that the money system will pass away with the passing of capitalism.) Marx's approach to this problem was really scientific and contrasts strikingly with the haphazard methods and hampering prejudices of these American engineers. H.

MR. LLOYD GEORGE ON THE DECAY OF CAPITALISM.

Sometimes in old buildings which have stood firm for centuries a little insect enters the woodwork and gradually eats away its strength. To all outward appearances for a long time it seems as solid as ever but the mischief is gradually reducing the core of the timber into dust.

Our economic system is crumbling, not from external pressure but from inside. Can Mr. Baldwin persuade the death-watch beetle to stop nibbling at the rafters for three whole years? Time is pressing. Governments are too dilatory and easygoing in dealing with this tremendous emergency. Whatever happens there must be fundamental changes. No one doubts this. They are in process now of being effected; everywhere the old order is passing away; nay, it has passed away already. What will take its place? Are statesmen thinking out that problem?

The existing industrial, financial, and economic order with its blind and cruel greed, with its extravagance and its poverty, its luxuries and its miseries, its waste and its chaos, with its tens of millions of honest workers reduced to eating the bread of charity whilst the riches of Providence are rotting in the fields because they are not permitted to reach the needy; with its slums where no humane man would house his cattle, with its nations organising to starve and slaughter each other—this system has been tried and found wanting.

(From a speech at Carnarvon on Thursday, January 19th, *Manchester Guardian*, January 20th.)

Marxism and Russia

Mrs. Barbara Wootton has a reputation as an economist and is accepted by many people as an authority on the theories of Marx. She holds views on the relationship of Marxian theories to the social system in Russia which are fairly common. In the *Highway*, organ of the Workers' Educational Association (December), she sets out to interpret Russia for the benefit of non-Russians who wish to understand what is going on in that country.

Her explanation is a simple one:—

The Soviet Mind is a single mind. It is this which gives life in present-day Russia its peculiar flavour. . . . In other countries no such common collective purpose is known, unless it be the purpose of making war. . . . The Soviet mind not only knows what it is after; it is also after very strange things. These strange things are, of course, nothing less than those embodied in the philosophy called Marxism.

Mrs. Wootton describes briefly some of the strange things. Among them is concentration on increasing the productivity of industry, what she calls "the glorification of economic output." This, she says, leads the Russians to esteem sobriety because the sober worker has a bigger output. He must shun "licentious pleasures." He must get up early and be punctual.

Another of the strange things is that the Russian child is taught to study phases of the class-struggle in other countries, but not in Russia. (According to Mrs. Wootton the children are taught that the class-struggle no longer exists in Russia.)

These and various other examples are given by Mrs. Wootton to "illustrate the extraordinary unity and consistency of Soviet ideas in every field."

The whole of this is rubbish. There is no "common collective purpose" in Russia. The "strange things" are not strange. They are perfectly familiar to every student of capitalism everywhere, and Marx is not responsible for them.

Let us first take the "single mind" of Russia. Not a week passes without authoritative reports of the shooting or imprisonment of peasants and others who have come into conflict with the Russian Government. Frequent armed punitive expeditions are sent against rebellious groups of private peasants or members of collective farms. Dissident Communists are disgraced, exiled and imprisoned. At the moment a wholesale purge of the Russian Communist Party is taking place. The "single mind" is that of the Communist officials who control the vast repressive forces of the State. The appearance of unity is like its counterpart in every other country: it is imposed by those who have power on those who have not. Mrs. Wootton's analogy of the alleged "common collective purpose" of the nation making war is not a bad illustration of the absurdity of her argument. The war-making governments had to use conscription, supported by intensive lying propaganda and the savagaries of

military discipline to drive millions of unwilling or indifferent men into the trenches. Mrs. Wootton thinks that this is a common collective purpose. It did not look like that to the conscripts.

Then for the boosting of big output.—Here Mrs. Wootton herself has to admit that the Russian "strange thing" bears a resemblance to the propaganda used in the U.S.A. before the present depression. She might also recall the official British "increased production" campaign of 1919-1920, backed by politicians in the three big parties (Labour included) and made the subject of innumerable newspaper articles, coloured posters in the streets, platform speeches and divinely-inspired sermons in the pulpits of churches of every denomination.

Then there is Mrs. Wootton's discovery that in Russia the children are taught to ignore the class-struggle at home and fix their eyes on the shocking state of unrest abroad. This is precisely what happens in every capitalist country. We are allowed to know that there were class struggles in the past and class struggles in benighted foreign countries, but the educational system does not recognise the existence of a class struggle here and now. There is no need to deal with her belief that the class struggle has disappeared from Russia. The rulers of that country officially admit that it is more acute than ever. That is why they have to depend for protection on their huge police and military forces, and that is why, in spite of Mrs. Wootton's nonsense, they do not trust to the "common collective purpose" supposed to have been derived by the Russian population from the theories of Marx.

Anyone acquainted with Marx's writings would know how he denounced the inhumanity of capitalism, sacrificing the comfort and health of the workers in order to build up huge production plants for the profit of the investors. Yet Mrs. Wootton holds Marx responsible for precisely the same process imposed on the Russian workers by the dictatorship. While the majority of Russian workers tighten their belts the home and foreign bondholders get their 10 per cent. or more on their investments out of the proceeds of the workers' labour, and specialists and bureaucrats draw their high salaries.

Mrs. Wootton shows by her article that she knows little of Russia, not very much about capitalism elsewhere, and understands nothing at all of Marx. Her views are not in themselves of special importance, but unfortunately her misrepresentations of Marx are widely held and do great harm to the Socialist movement.

H.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc.

80 Pages—Price 3d. (Post free—4d.)

Send for a copy.

The Postmen's Pay

The postmen and other non-clerical staffs in the post office have been trying for the past 18 months to get an increase in wages. They are asking for a 10s. addition to basic pay, which, including cost of living bonus, would mean an actual addition of 15s. to the pay of those now getting up to 52s. 6d. a week, and something less on pay above 52s. 6d. Although the claim was fobbed off by the Labour Government in 1931, and rejected outright by the succeeding National Government, and although there is not the remotest chance that the claim or any considerable part of it will be conceded, it would require a rise of much more than double that amount to give back to the post office workers what they have lost since 1921 through reductions in pay under the cost of living bonus scheme.

Yet on the kind of argument put forward by the typical defender of capitalism the claim is unanswerable. Are post office workers highly paid? Out of the 113,000 in the grades affected by this claim there are 23,000 who receive less than 40s. a week, while another 68,500 receive between 40s. and 60s. Less than one in five get over £3 a week. In addition the post office employs nearly 14,000 auxiliary postmen trying to make ends meet on part-time pay of 20s. or 30s., most of them quite unable to obtain other work to eke it out.

Are the post office workers giving a smaller output? On the contrary, the volume of work has increased in ten years by over 25 per cent., while the number of workers has increased by only 10 per cent. It is, even in the acute depression, still an expanding industry.

Is the post office losing money or showing a declining profit? Not at all. The surplus after charging interest on capital is well over £10 million a year, and has been increasing more or less constantly over the last ten years, while post office pay has fallen by 40 per cent. or more. The surplus was equivalent in 1925 to £30 per head of the staff, and has grown now to about £45 per head, an increase of 50 per cent. (If the interest on capital is added to the net surplus the total has grown from about £50 per head in 1925 to £70 per head in 1932.)

All that the Governments say—Labour, Tory and National—is that they need the money and that post office pay must not be out of keeping with the level of wages generally. In other words, the post office is a typical capitalist industry run on principles exactly the same as any other capitalist industry. The staff are exploited for private profit just like their fellow wage-slaves outside.

Unfortunately most of the post office workers still retain the belief that the post office is in some way different from a private company. They are misled by appearances into believing that post office profits flow to the "community."

The position is really quite simple. The workers inside and outside the post office are exploited for the benefit of the employers, and whether the employer be the State or private shareholders matters little. The workers get roughly enough to live on and bring up families. In private industry the surplus goes directly to landlords, shareholders, debenture holders, etc., in the form of rent, profit and interest. In the post office the surplus is used partly to pay interest to investors whose money is lent to the State and forms part of the National Debt. The Government uses this money to finance the development of the post office just as private companies use money raised by them from investors. The rest of the post office profits go to reduce the amount of money raised in the form of taxes, which means that it goes into the pockets, not of the community, but of the property owners. Although

part of the tax burden appears to come from the workers, in fact the burden rests wholly on the propertied class, where alone it can rest. A reduction in taxation, which leads to a reduction in the cost of living, does not benefit the workers, for their wages keep in fairly close accord with the falling prices. It benefits the employers through a reduction in their expenditure on wages. If the post office workers and other workers would grasp this position they would immediately perceive that it is to their mutual interest to back up each other's efforts for higher wages. They would next realise that profit, whether in the post office or outside, is obtained at the expense of the working class for the benefit of the capitalist class. Lastly, they would realise that the retention of the whole profit-making system is contrary to the interest of the working class and should be replaced by Socialism.

S. C. T.

NOTICES OF MEETINGS AND DEBATES

DEBATES

The S.P.G.B. versus the Conservative Party.

CANNING TOWN.

Monday, February 13th.

A debate will be held at the PUBLIC HALL, Canning Town, on Monday, February 13th, at 8 p.m.

For the Conservative Party ... Mrs. Tennant.

For the S.P.G.B. ... E. Hardy.
Admission free. All invited.

The S.P.G.B. versus the Labour Party.

POPLAR TOWN HALL.

Sunday, February 19th.

A debate will be held at POPLAR TOWN HALL on Sunday, February 19th, at 8 p.m.

Subject: "Which Party should the working-class support—the Labour Party or the S.P.G.B.?"

For the East Lewisham Labour Party ... Michael Stewart.

For the S.P.G.B. ... G. Bellingham.
Admission free. All invited.

MEETING OF PARTY MEMBERS

A Meeting of Party Members will take place at HEAD OFFICE, 42, Great Dover Street, S.E.1, on Saturday, February 25th, at 7 p.m., to discuss

"The S.P.G.B. and Questions of Tactics."

The discussion will be opened by S. Cash.

MEETINGS

HEAD OFFICE.

Each Sunday Evening.

Meetings will be held on Sunday evenings at 42, GREAT DOVER STREET, S.E.1, at 8 p.m., as under:

February 5th.

Why I Left the Communist Party ... S. Cash.

February 12th.

Force and the Social Revolution ... F. Wiltshire.

February 19th.

How Simple Socialism Is ... S. Globus.

February 26th.

Socialism versus "Workers' Control" ... E. Hardy.

Admission free. All invited. Questions and Discussion.

BATTERSEA.

Sunday, February 12th.

A Meeting will be held at BATTERSEA (Lower) TOWN HALL on Sunday, February 12th, at 8 p.m.

Socialism and Unemployment ... G. Bellingham.
All invited. Admission free. Questions and Discussion.

LEYTON.

Sundays, 5th and 19th February.

Meetings will be held at GROVE HOUSE, High Road, Leyton, at 7.30 p.m., as under:

February 5th.

The Need for Socialism ... W. Thompson.

February 19th.

Why the Workers Should Support the S.P.G.B. ... D. Goldberg.

Admission free. All invited. Questions and Discussion. Doors open 7 p.m.

DAGENHAM.

Sundays, 5th and 19th February.

Meetings will be held at the DAGENHAM LABOUR INSTITUTE, Charlotte Road Church, Elm Lane, at 7.30 p.m., as under:

February 5th.

The Working Class ... "Sandy."

February 19th.

The Future ... S. Rubin.

Admission free. All invited. Questions and Discussion.

BETHNAL GREEN.

Sunday, February 17th.

A Meeting will be held at BETHNAL GREEN LIBRARY on Friday, February 17th, at 8 p.m.

The Road to Socialism ... "Sandy."
All invited. Admission free. Questions and Discussion.

STOCKPORT (MANCHESTER).

Sunday, February 5th.

A Meeting will be held at the CENTRAL HALL, Hillgate, Stockport, at 6.45 p.m.

Socialism v. The Tory Party ... E. Hardy.

Admission free. All invited. Questions and Discussion.

MANCHESTER.

Monday, February 13th.

A Meeting will be held at the CLARION CAFE, Market Street, Manchester, at 7.45 p.m.

Reform or Revolution ... J. Lea.

Admission free. All invited. Questions and Discussion.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The Socialist Standard

FEBRUARY, 1933

**Who Own the Shares?**

In spite of the numerous inquiries made from time to time which have demonstrated that the bulk of property is concentrated in few hands, professional apologists for capitalism go on arguing from selected evidence that wealth is fairly equally distributed. The favourite line taken by these people is to find the number of shares and the number of shareholders in particular companies, divide the latter into the former and show a fairly small result representing the "average number of shares owned by each shareholder." The calculation is utterly worthless as a picture of capitalism as a whole. Such averages mean nothing and in any event capitalists do not ordinarily invest more than a small part of their money in any one company.

An example of this is the American Telephone and Telegraph Company.

It boasted in 1927 that it had 423,580 stockholders and that "no one of these stockholders owns as much as one per cent. of the capital stock." (See Annual Report for 1927, p. 7.)

The capital stock amounted to about £270,000,000, so that the average shareholding was a little more than £600, which is not a very large amount, but which gives no justification whatever for the assumption that the firm's employees and other small shareholders owned £600 or near it, and that there are no big shareholders. In fact there are a small number of shareholders who own enormous blocks of stock, and a large number of shareholders who own only trifling amounts. In the list of stockholders at June 30th, 1932, there are 20 stockholders whose total holding aggregates nearly £18,000,000, an average of about £900,000 each.

Moreover, there is nothing to prevent the same

person holding blocks of shares in several names. The New York *New Leader* (March 9th, 1929) pointed out that at that time on the list of stockholders of A.T. & T. there was a certain G. F. Baker with 53,322 shares, each of 100 dollars par value, but he was also reputed to be the owner of another 31,391 shares in the name of D. T. Waters and 21,000 shares in the name of F. H. Pierson (both employees of J. P. Morgan's First National Bank of New York, of which Baker was Chairman).

It was estimated that if Baker exercised his right of subscribing to additional stock granted to stockholders in 1928 his total holdings would amount to about 123,577 shares, worth about £2,500,000 at par. (Actually the market price was far above par. In 1929 and 1930 the 100 dollar shares were being bought and sold at 200 and 300 dollars.) The shares would give Baker an income from A.T. & T. alone of about £300,000 a year, equal to the pay of upwards of 1,000 employees. This is the true picture of capitalism as a whole which each typical firm presents in miniature.

The Australian Trade Union Congress

The Australian Trade Union Congress has just closed, and although the plight of the Australian workers is probably worse than ever before, the attendance was by no means large.

Many Trade Union conferences have been held, and if we examine the decisions of the congress we will get an idea of the direction in which the Trade Union Movement is going.

Delegates represented many Trade Unions, having varied sectional interests and particular grievances. But political opinions predominated, and almost every shade of political opinion was in evidence. There was the "shock" brigade from New South Wales led by Mr. Jock Garden, erstwhile Communist Party foundation member, but now organiser-in-chief for the forces of J. T. Lang, Labour ex-Premier of New South Wales. Most of this "brigade" consisted of Trade Union officials who had been appointed to the Upper House (New South Wales) by Lang, when the latter was Premier. Every time Lang's name was mentioned the "brigade" hailed him as "the saviour of the Australian workers," and the "Hear, hears" were as fervid as the "Hallelujahs" of other well-known worshippers.

There were Scullin Labourites, Communists, Minority Movement members, National Credit Cranks, and a solitary member of the Socialist Party of Australia. Discussion had not gone far when the political opinions bubbled to the top, and the Chamber became a boiling pot of political antagonisms. But the tone of the congress was different from that of past conferences insofar as

hardly a single delegate ventured the opinion that unemployment could be abolished under the capitalist system, and those who may have held that view remained silent.

The chief **matters** discussed were Closer Organisation; Subsidies to Industries; Freedom of Press, Speech, etc.; Unemployment; Ways and Means.

Closer Organisation.

Much was said about this question, but there was little mentioned about organising on a class instead of a craft basis. The old arguments against labourers doing tradesmen's work and vice versa were revived, but they received more ridicule than in the past. Finally, congress carried a resolution having for its object the carrying on of propaganda for the smashing down of the craft barriers among the unions.

Similar resolutions have been carried enthusiastically in the past, so one cannot be too sanguine about the actual results. There seemed to be a strong desire on the part of many workers for a different form of organisation. But this desire does not spring from an understanding of an economic necessity for closer organisation; cheaper unionism and facilities for moving from job to job seems to be the driving force. Whether this latter will overcome the opposition of officials, whose jobs would be jeopardised by the welding together of the unions, remains to be seen.

However, the mere grouping together of purely ticket-holding unionists does not make for greater efficiency; neither does it increase the fighting ability of the organisation so formed. The form matters little if the substance is lacking, and the substance of a working class organisation is not mere numbers, but class understanding. Even then—and most of the delegates seemed ignorant of this—the heavy hand of capitalist development will nullify to a great extent the achievements of the everyday struggle. At almost every T.U.C. the disappointment with politicians whom they have supported reacts in an emotional surge towards industrial action on the part of most delegates.

Subsidised Industries.

Notwithstanding their boastful platitudes about the success of "individual enterprise" Australian capitalists find it necessary at times to seek subsidies from the collective coffer of capitalism—the Treasury. Many industries are subsidised, and as soon as there is a change of government and a threat of interference with bounties to industries the bounty-fed capitalists engage in publicity campaigns to show how necessary it is to assist their industries. Officials of Trade Unions covering the industry concerned, faced with the loss of paying members in the event of the bounty being cut off, actively assist in such campaigns from time to time.

Delegates to the congress instanced cases of firms, subsidised and granted tariff protection by a Labour Government, refusing to employ trade unionists. Other firms had reduced wages and worsened conditions of workers who had assisted in the tariff propaganda.

Delegates who had supported the Scullin Labour Government, which granted these tariffs and bounties denounced evils resulting from their own stupid actions!

Unemployment.

The unemployment question was lengthily debated at the congress. Delegates who had supported the Labour Governments, which had ignored the requests of the unemployed, now shed tears about the plight of the workless.

Ardent supporters of the Scullin Labour Government strongly criticised the National Government. Yet when the former went out of office—in spite of their claim that their tariff proposals would reduce the unemployed army by 80 per cent.—the number of workers without jobs was greater than ever it had been. Delegates who had supported the Hogan State Labour Government, which had ruthlessly attacked the Trade Union Movement and the unemployed, now turned their wrath against the Nationalist Government. Yet Mr. Monks, Secretary of the Unemployed Council, stated that the Nationalist Government had granted concessions which the Hogan Labour Government, under the same Unemployment Act, refused to concede.

The Lang Labourites from New South Wales, whose idol had placed the interests of the workers secondary to that of the manufacturers, boasted about the trivial concessions which Lang had bestowed upon the workers in that state. Ignoring a challenge to show wherein the "Lang Plan" would further the interests of the working class, these blind hero-worshippers made a strong drive to secure the support of the congress for the Lang Labour Party.

Out of the jumble of discontent came long-worded resolutions, staggering in their all-embracing verbiage, and carried by overwhelming majorities. Demanded in these resolutions were boots, clothing, blankets, fuel, lighting, medical attention, maternity benefits, milk for babies, revised dole payments, cessation of evictions, etc., etc. These demands exceeded by far those advocated by the Minority Movement and the Communists, and thus we had the spectacle of the "reactionary Trade Union Movement" leaving "vanguard" in a rearguard position.

Other resolutions demanding elaborate Unemployment Insurance schemes, alterations in the Commonwealth Constitution and National Health Insurance were also carried.

Free Speech, Free Press, Etc.

During the last election campaign, as at many previous campaigns, the Nationalists promised to get rid of the "Reds" if returned to power, and having been elected they have made alterations in the Crimes, Immigration, and Arbitration Acts. A prosecution having been launched against the publishers of the *Workers' Weekly*, Communist Party organ, members of the Party pressed congress to carry a motion of protest against the actions of the Government.

Whatever objection the Government has against the *Workers' Weekly* it cannot be based upon the fact that that organ is revolutionary. When its columns are not being used for slanderous attacks upon, and lying abuse of, opponents they are filled with falsifications of Marxism, distortions of scientific Socialism, and big boosts for the Russian wages system.

The Government selected these people and their paper for special penal attention simply with the desire to avoid disorder, which disturbs the smooth running of the system. The last three or four elections have been fought on the "Clean up the Reds" issue. However, the congress decided to stand by anyone penalised under the Acts mentioned, and the constitutionality of the latter may be tested. Hence we may see the erstwhile boosters of their illegality endeavouring to prove their legality through the ordinary constitutional channels!

Ways and Means

Under the heading of "Unemployment Objective" Congress carried a resolution worded thus:—

"Congress realising that unemployment cannot be solved under the present system of capitalism, therefore calls upon the Trade Union Movement to unite on the basis of replacement of capitalism by the Social Ownership of the means of life, and the abolition of the wages system, and instructs all branches of the A.C.T.U. to work for unity on this basis alone."

An amendment, substituting "a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interests of the whole community," was defeated overwhelmingly. This showed just how much about Socialism the delegates really understood, especially in view of the wide interpretations "Social Ownership" was open to. This was proved later by delegates stating that the Labour Party stood for "Social Ownership." Then we found Scullin Labour Partyites and Lang Labour Partyites—although opposed to each other—claiming that this was their object.

It was here also that we got an example of

Communist Party and Minority Movement confusion. At the State Industrial Conference held earlier when a Socialist moved that an essential of Socialist education was not an increase in wages, but the "abolition of the wages system" the Communist Party and Minority Movement delegates opposed his amendment. Reporting on the matter in the *Red Leader*, the official organ of the Minority Movement, the Victorian State Executive Minority Movement said:—

INCREASE OF WAGES.

Casey also moved that the words "abolition of the wages system" should replace "increase of wages," but this was declared out of order.

It is very funny to see just where the mental distortions of these alleged "Marxists" land them—right into the camp of the boss. The "Abolition of the Wages System," as a slogan in this period, can only be taken by the workers to mean Work-for-the dole.—(*Red Leader*, August 10th, 1932.)

Notwithstanding this brilliant interpretation of working class psychology, both the Communist Party and Minority Movement delegates at the A.C.T.U. Congress supported that part of the unemployment motion providing for the "abolition of the wages system." The question now arises: What would happen to delegates at the Red International of Labour Unions Congress in Moscow who moved for the abolition of the wages system in Russia?

The ways and means for giving effect to the unemployment policy are embodied in a motion providing for the setting up of committees from the Congress, the Unions, and the unemployed. These committees must engage in a campaign of "industrial education," whatever that may be, for the purpose of consolidating the ranks of the Trade Union Movement in order that mass action against the employers may be carried out effectively.

Further, they must hold meetings in conjunction with shop-stewards, unemployed delegates, and officials for the purpose of breaking down craft barriers and forming one union in each industry. As similar resolutions in relation to breaking down craft barriers have been carried by previous T.U. Congresses without anything effective eventuating, this seems to be more window dressing.

Since the Congress disbanded, the various "wings" and sections of the Australian Labour Parties have been adopting its decisions, interpreting the motion for "Social Ownership" as being synonymous with the old A.L.P. objective, viz.: "The Socialisation of Industry, Distribution and Exchange." Everybody who has experienced Labour Rule will realise just what the effects of A.L.P. "Socialisation" are.

One thing was made clear at the Congress, and that was this: Before there can be any substituting of Socialism for Capitalism much Socialist education has to be done, and this is the job which the Congress shirked. Delegates who don't know what Socialism is themselves cannot teach other members

of the working class anything about it. That work must be done by Socialists.

W. J. CLARKE,
Socialist Party of Australia,
Melbourne.

Notice to Correspondents.

Several correspondents have written to us at different times complaining, because we have answered their questions or criticisms by post instead of in print or because we have refused to allow them unlimited space in which to state their criticisms. As there is evidently some misunderstanding of our policy we draw the attention of correspondents to the statement below.

The S.P.G.B. cannot undertake to publish in the "S.S." every letter we receive and for which publication is requested by the writer. While we try to meet such requests as far as possible, the decision must remain with the S.P.G.B. and be based on our view as to the importance of the subject, its interest to readers, and on considerations of space. Similarly when we have agreed in advance to publish a criticism we cannot allow it unlimited space.

What we do undertake as far as in our power is to give a definite and frank reply, either in print or by letter, to all questions and criticisms.

A little thought should be sufficient to convince anyone that no other attitude is reasonable. We literally could not print all the letters we receive for which publication is desired or even demanded. It is by no means rare for the amount of such correspondence received during a month to exceed in length the whole space of an issue of the "S.S." During 1932 we received one letter which alone ran to about 14,000 words—more than sufficient to fill the whole "S.S."—and which we were informed we "must" publish.

Neither the SOCIALIST STANDARD nor any other journal could give an undertaking to publish every letter.

The "S.S." exists for the purpose of making known to the workers the principles of the S.P.G.B. If we undertook to publish any and every letter sent in by critics, the space at our disposal could be deliberately wasted by persons whose primary object was to prevent us from using our space for the purpose intended. Even when questions and criticisms are bona-fide ones, it is still necessary at times for us to reply by post instead of in print, when, for example, space has already been given up to identical arguments.

A recent complaint comes from an organisation called the Socialist Propaganda League, whose pamphlet, "From Slavery to Freedom," was reviewed in our November issue. The S.P.L. have written stating that they had intended to reply to the review, but changed their mind when they dis-

covered that we were not willing to give as much space as they wanted to their letter of criticism in another matter. The other matter is the following:—

In September we published our answer to two letters, our answer consisting of 1,000 words. The S.P.L. wrote asking if we would publish a reply by them. They were told that they could send in their letter, but that we must, of course, be guided by considerations of space. Their letter when received was found to run to approximately 2,000 words. If we published it and a reply to it of equal length, not far short of one-third of the space in an issue would be taken up. We accordingly returned the letter and suggested that the S.P.L. themselves cut it down to about 1,000. This they declined to do, on the ground that they cannot state their case under 2,000 words; although our original statement consisted of only half that number. There the matter rests. We have merely dealt with the S.P.L. letters in our ordinary way—the only way that is reasonable.

ED. COMM.

More Confusion In British Columbia.

In the October SOCIALIST STANDARD we referred to a body calling itself the Socialist Party of Canada, recently formed in British Columbia out of the I.L.P. We said that if the British Columbia party were a Socialist party, as it claims to be, its obvious course would have been to link up with the Socialist Party of Canada, which has headquarters at Winnipeg. In fact, however, the British Columbia party (as we pointed out) still fights elections on a programme of reforms without even a reference to Socialism, and moreover, its constitution allows it to form part of a hodge-podge capitalist political organisation called the "Co-operative Commonwealth Federation (Farmer, Labour, Socialist)."

The journal of the British Columbia party now replies to our criticism (see *British Columbia Clarion*, November).

It tells us that it did not link up with the Winnipeg body because "Vancouver had no means of knowing what Winnipeg contemplated, or vice versa," and because "the move to initiate a Socialist Party in Vancouver commenced before that of Winnipeg."

These two "reasons" simply evade the issue. No matter who moved first the Vancouver and Winnipeg bodies do now know of each other's existence. The impossibility of merging is due to the quite different reason that the Winnipeg body has a Socialist basis which the other has not.

The *British Columbia Clarion* also reproves us for our parochial view "bounded by the English

Channel and the North Sea," and tells us that if only we had "the faintest conception of conditions prevailing in this Western Country" we would at least have inquired into the causes "which brought these entirely different economic groups together, and induced them to join forces on even so nebulous a project as they propose."

All of which is interesting but does not answer our criticisms. We are asked to believe in effect that there are some peculiar conditions in Canada which justify a Socialist Party having a reformist programme and joining with avowedly non-socialist organisations in the C.C.F.

Very well, what are these peculiar conditions which justify something which experience all over the world has shown to be fatal to the Socialist movement? Why are these conditions plain to the group in Vancouver, while the party in Winnipeg denies their existence?

If it is our parochial English outlook which misleads us, how are we to account for the fact that our copy of the *British Columbia Clarion* reached us from a correspondent in Vancouver who writes "your description of the party is correct to the last word"?

Lastly, we read in the *Manchester Guardian* and *Times* (December 3rd, 1932) that the United Farmers of Ontario, who have joined up with the Co-operative Commonwealth Federation alongside the Vancouver S.P. of C., have declared their policy to be immediate inflation of the currency.

Are we to understand from the *British Columbia Clarion* that there is something peculiar about capitalism in Canada which makes inflation there a Socialist device and in the interests of the working class, in spite of the fact that everywhere else it is known to be a measure of no value to the workers and merely the panacea of a section of the capitalist class?

ED. COMM.

ENGELS AND THE VOTE

"The working classes will have learned by experience that no lasting benefit whatever can be obtained for them by others, but that they must obtain it themselves by conquering, first of all, political power. They must see now that under no circumstances have they any guarantee for bettering their social position unless by Universal Suffrage, which would enable them to send a Majority of Working Men in the House of Commons."

"The Ten Hours Question," by F. Engels (page 376, *The Democratic Review*, March, 1850).

Bloomsbury Branch

Members and sympathisers living in the neighbourhood of Bloomsbury are invited to join the newly-formed Branch which meets every Thursday evening at 7.30 p.m. at 269, Gray's Inn Road, W.C.1 (King's Cross end).

Notes by the Way

"Self Made" Men: An American Myth Exploded

In the early years of capitalism, while expansion is still rapid, it is not unusual for individual workers to climb into the ranks of the capitalist class. Later on as conditions become more settled and as the amounts of capital required to run businesses on up-to-date lines become greater, it is much more difficult for brains, energy and fortunate circumstances to overcome the disability of lack of capital. In America there is a hard-dying belief that the typical millionaire and captain of industry started life as a farmer's or labourer's son and worked his way upwards. A well-known economist, F. W. Taussig, and a sociologist, C. S. Joslyn, have just completed an investigation into the parentage of America's 25,000 "nationally known business leaders" (see "American Business Leaders," published by MacMillan, 18s.).

The investigators sent out questionnaires to the 25,000, and received nearly 9,000 replies. Basing their conclusions on these replies they find that not more than 12 per cent. are farmers' sons and only about 10 per cent. are sons of labourers. Considerably more than half (56.7 per cent.) had fathers who were themselves business men of one kind or other (owners or executives).

They also find that the proportion of farmers' sons among business men is tending to decrease, and the proportion of business men's sons to increase. They estimate that by 1950 it is "entirely possible . . . that more than two-thirds of the successful business men in the United States will be recruited from the sons of business owners and business executives."

* * * *

Unintended Humour in the "Telegraph"

A correspondent of the *Daily Telegraph* in the U.S.A. describes the laxity of the laws governing banking, and introduces an unintended piece of humour. He writes:

Anyone may start a bank. . . . All the law requires is that he should have £2,000 capital.—(*Daily Telegraph*, January 6th, 1933.)

The right of the Americans to start a bank is like our "right" to swagger about in a Rolls Royce car or dine at the Ritz; it is only restricted by the fact that quite a number of people do not own £2,000.

* * * *

How to Make Socialists: Lenin's View.

Most of the Communists who say that the way to make Socialists is not to theorise, but to concentrate attention on "immediate demands" in the day to day struggle against the employers, are quite unaware of Lenin's view on the subject. He set it

out at some length in an article, "The Working Class as Champion of Democracy," written apparently about 1901 and recently republished in "What is to be done" (Martin, Lawrence, Ltd., 175 pages, 2s.).

In this article Lenin vigorously rejects the policy of concentrating on immediate demands. He points out that any trade union secretary does this work admirably (he mentions Robert Knight, who was a Boiler Makers' official well-known in England). He contrasts Knight, the trade union secretary who "conducts the economic struggle against the employers and the Government" with Liebknecht, who "engaged more in the propaganda of brilliant and finished ideas." Lenin plumps for Liebknecht's method and rejects Knight's.

Lenin writes:

The economic struggle merely brings the workers "up against" questions concerning the attitude of the Government towards the working class. Consequently, however much we may try to "give the economic struggle itself a political character," we shall never be able to develop the political consciousness of the workers . . . by confining ourselves to the economic struggle, for the limits of this task are too narrow.—(Page 78.)

The workers can acquire class political consciousness *only from without*, that is only outside of the economic struggle, outside of the sphere of the relations between workers and employers.—(Page 78.)

Robert Knight engaged more in "calling the masses to certain concrete actions," while Liebknecht engaged more in "the revolutionary explanation of the whole of modern society or various manifestations of it."—(Page 78.)

The whole article is well worth reading. It will be noticed that here, as on certain other questions, Lenin's view was nearer to the S.P.G.B.'s view than to that of the Communist Parties.

* * * *

The Dangers of Slogans.

Mr. Bruce Lockhart in his "Memoirs of a British Agent" tells a story about the French labour leader, the late Albert Thomas, which contains a moral for those who believe they are doing a good work by trying to rally the workers with fine sounding slogans. After the overthrow of the Czar's Government the Russian Workers' and Soldiers' Councils declared their adherence to the slogan "no annexations, no contributions" as a basis for ending the war. As the allied governments were all committed to the annexations specified in their numerous secret treaties they found the Russian demand an embarrassment. Unable to make headway the allied representatives in Russia called in M. Albert Thomas, who after a long career as a labour leader became French Minister of Munitions, and was then sent to represent the French Government in Russia.

Thomas knew the weaknesses of the slogan-ridden labour movements and knew that all he need do was to find a formula which would sound more or less the same, but would cover the divergent views of both the Russian war-weary workers and the

Allied Imperialists. He selected the words "restitution" and "reparations," and persuaded the Russians that the annexation of Alsace-Lorraine by France would be a "restitution" not an "annexation," and that paying for the war damage was "reparation" not "contribution." Although suspicious that they were being hoodwinked the Russians accepted Thomas' arguments.

Every capitalist politician is an adept at this sort of thing, and every member of the Labour and Communist Parties who encourages the workers to trust in slogans instead of acquiring a sound understanding of the social problem is playing into the hands of the expert formula fakers like Albert Thomas and Lloyd George.

H.

North Battleford, Saskatchewan

A local of the Socialist Party of Canada (204, Bannatyne Avenue, Winnipeg) has been formed at North Battleford. Readers of the *SOCIALIST STANDARD* in the district are invited to communicate with the Secretary, J. H. Greaves, North Battleford.

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 182, East 23rd Street, New York City (Room 7), where the *SOCIALIST STANDARD* is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the *SOCIALIST STANDARD* is obtainable.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand at 8, Whitehall Buildings, Upper Queen Street, Auckland, where the *SOCIALIST STANDARD* is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the *SOCIALIST STANDARD* is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

"SOCIALISM AND RELIGION"

48 pages. TWOPENCE 2½d. post free.

READ . . .

"WHY CAPITALISM WILL NOT COLLAPSE . . .

Our View of the Crisis.

16 Pages 1d. Post free 1½d. Send for a copy.

The Socialist Forum.

What are we to do in the Meantime?

The correspondent whose letter was answered in the November issue under the heading "Socialists and Doing Nothing," writes a further letter, which is reproduced below:—

Dear Sirs,

The SOCIALIST STANDARD to hand, containing reply to my letter. You have evidently entirely misunderstood my letter, as I know too well the worries of an employed worker, but still, I realise that he is very comfortable indeed, compared with one who is out of a job, and below the starvation line. I am not trying to "get at" you by my letter, as you seem to imagine, but am desirous to know what you propose to do with regard to those who are down and out, whilst they are waiting for an intelligent change from the system of society, which we know is the cause of all the troubles we have to endure. By my reference to wireless, etc., I mean that the workers *must* understand something of Marxist Socialism before they can vote for Socialism, let alone work for it, and only a few of the workers have the desire to study the principles of Socialism *even if they are intelligent enough to do so*. I do, as you say, agree with intelligent action, and would deny what you term "blind revolt," if I could see what alternative there is, for those who are below the starvation line and out of a job. *It will be a long, long time before the workers want Socialism, and in the meantime what can be done by the unemployed workers, or for them?* This is the question I would like you to answer fully, instead of asking me for a solution, as you do in the answer to my letters, and this answer you give decides my opinion for, or against, the S.P.G.B., so please give me a well considered reply to this grave and serious question.

Reply.

We think that if our correspondent will read again his original letter and our reply he will agree that we dealt with the arguments in his letter as they were stated by him and that if we wrongly interpreted what was intended the fault lay in the phrasing of certain passages of his letter.

The important part of the present letter is the sentence which reads:—

It will be a long time before the workers want Socialism, and in the meantime what can be done by the unemployed workers, or for them?

The first point to make clear is that the "meantime" is not a fixed period of years. Until the workers become Socialists and take action to get power for Socialism the capitalist "meantime" will continue indefinitely; and with it the exploitation and sufferings of the employed and unemployed workers.

The next point is that little or nothing can be done for the workers. Anything that is to be done must be done by them. If the workers continue to place capitalists and their agents in control of the machinery of Government we cannot save them from the consequences of their own action. The principal thing we can do is to continue pointing out the absurdity of voting the capitalists into power—*i.e.*, we must carry on with our Socialist propaganda. Also as part of our propaganda we point out that if, after placing the capitalists in power, the workers or a minority of them decide

to throw themselves against the armed forces of the State they will be ruthlessly crushed. That is a fact and a valuable service Socialists can render to the workers is to draw their attention to it.

Apart from challenging the armed forces of the State there are, of course, other activities the unemployed can and do engage in, *e.g.*, demonstrations, and deputations to Ministers of the Crown and the local authorities. On occasion such activities result in small concessions, but they do not and cannot in themselves lead to the development of the Socialist movement or to progress towards Socialism. The great need of the hour is for more Socialist propaganda, more Socialists and a strengthened Socialist Party. Only the S.P.G.B. is devoting its energies to these objects, and the Socialist movement would be hindered, not helped, if the S.P.G.B. were to transfer its energies to helping the unemployed to struggle with the mere effects of capitalism.

ED. COMM.

The Source of Profits.

A correspondent asks us why we are opposed to capitalism. He writes:—

If A, B, C, and D put savings into a company and get £5 per cent.—it takes *twenty* years ere they get back their savings, let alone anything more for being *unable* to use their savings for twenty years! Ought they not to have something extra for this serious deprivation or loss of power to spend? Those who hold Savings Certificates . . . can get their capital back, but the man who invests £100 in a company may lose the lot. I hold some in the L.N.E. Railway, a very useful affair (London would not get its food or coal but for the L.N.E.R.), yet for six years I have had nothing, and all is a dead loss, if I sold out. What about my savings?

Our correspondent also asks about our attitude to the Labour Party and I.L.P. and Russia.

Reply.

Our correspondent's difficulties arise from his failure to look below the surface of capitalist arrangements. It is true that the individual capitalist runs the risk of making no profit and of losing the money he invests, but the same is not true of capitalism as a whole. The whole mass of rent interest and profit received by the capitalist class is not the result of risk or saving or any efforts of theirs in producing wealth, but is the result of their ownership and control of the means of production and distribution. Because their control of the political machinery and the armed forces enables them to deprive the workers of access to food, clothing and shelter and the means of producing these things, they (the capitalists) are able to appropriate the whole of the wealth produced by the working class. Out of that wealth the workers receive part in the shape of wages or salaries, while the capitalists retain the balance in the form of rent interest and profits.

When the real nature of present-day capitalism is realised our correspondent's claim is seen to be

that the capitalist "ought" to be rewarded for not spending at once the income derived by him from the exploitation of the workers.

The aim of the Socialist Party of Great Britain is to establish Socialism—a system of society under which the means of production and distribution will be the property of society as a whole instead of being the private property of a class.

As this is not the aim of the Labour Party or I.L.P. and is not the condition of affairs in Russia, our correspondent will see wherein the S.P.G.B. differs from these parties and why it points out that Russia is not run on a Socialist basis.

ED. COMM.

Marx and the Labour Party

Mr. Arthur Woodburn, writing in *Forward* (September 3rd), tries to meet Socialist criticism of the Labour Party's programme with the retort that Marx, too, was a reformist. This he does by reproducing the list of measures drafted by Marx and Engels in 1847, and incorporated in the Communist Manifesto. (See Section II.)

Mr. Woodburn leaves out the essential explanation without which his statement is grossly misleading. Marx and Engels were socialists, that is to say, they aimed at dispossessing the capitalist class as a necessary preliminary to establishing a system of society based on common ownership of the means of production and distribution. The first step was that the working class must obtain political supremacy. They must then use this political supremacy to dispossess the capitalists. Marx and Engels put forward, in the light of their reading of existing conditions, certain measures as a beginning of the process of dispossession.

Of course, in the beginning, this cannot be effected except by means of despotic inroads on the rights of property, and on the conditions of bourgeois production; by means therefore which appear economically insufficient and untenable, but which, in the course of the movement, outstrip themselves, necessitate further inroads upon the old social order, and are unavoidable as a means of entirely revolutionising the mode of production. These measures will, of course, be different in different countries. Nevertheless, in the most advanced countries the following will be pretty generally applicable.

Now the important thing to notice is that these measures were proposed as the way in which the working class, after conquering political power, would begin the task of dispossessing the capitalists and instituting common ownership. This is something poles apart from the Labour Party's aim and programme. The Labour programme is something so acceptable to large sections of the capitalists that you can have a Labour Government's public utility schemes modelled on Conservative schemes, and carried on without material modification by subsequent Conservative Governments. The Labour Party, in fact, does not aim now or ever at dispossessing the capitalists. Mr. Snowden, when

Chancellor of the Exchequer in the two Labour Governments, repeatedly insisted that the Labour Party does not believe in making despotic inroads on the rights of property, and the Labour Party still holds that view and confirmed it at the Leicester Conference.

To illustrate this we need only point to two of the measures suggested by Marx and Engels, *viz.*, "abolition of property in land" and "abolition of all right of inheritance." Mr. Woodburn knows quite well that the Labour Party has never committed itself to those two proposals. It dare not do so, and thus it has no intention of beginning an attack on private ownership.

In passing, it is worth while recalling what Engels, looking back in 1888, had to say of the 1847 proposals:—

The practical application of the principles will depend, as the manifesto itself states, everywhere and at all times, on the historical conditions for the time being existing, and, for that reason, no special stress is laid on the revolutionary measures proposed at the end of Section II. That passage would, in many respects, be very differently worded to-day. (See Preface written in 1888.)

P. S.

The Reward of Invention.

One of the advantages claimed for capitalism is that it acts as an incentive to inventors. This claim disregards the fact that generally inventors are too poor to patent their inventions, or to purchase the plant and machinery necessary for their manufacture. An example of the inventor's reward is the case of Jean Leroy, who is credited with having invented the film projector which made possible the motion picture industry. Failure to patent his invention 38 years ago lost him untold wealth, and during his latter years he made his living out of a small camera repair shop within a stone's throw of Broadway's immense picture palaces, where millions have been made from his invention. He has now died in poor circumstances at the age of 78. Leroy said, "I did not patent my invention because I did not realise what I had, and was ignorant of the patent laws. Like the average inventor, I centred my interest on the solution of the problem I had in mind." (*News-Chronicle*, 11/8/32.) Leroy's reply provides a complete answer to those who think that inventors are spurred on by hope of material gain.

S.P.G.B. PROPAGANDA MEETINGS LONDON DISTRICT.

Sunday	...	...	Tooting Broadway, Garratt Lane, 11.30 a.m.
			Tottenham, West Green Corner, 8 p.m.
			Victoria Park, 11.30 a.m.
			Walworth, Liverpool Street, 11.30 a.m.
			Finsbury Park, 11.30 p.m.
			Clapham Common, 3.30 p.m.
Monday	...	...	Prince of Wales, Paddington, 7.30 p.m.
			Ridley Road, Dalston, E.8, 8 p.m.
			Highbury Corner, N., 8 p.m.
			Prince of Wales, Paddington, 8 p.m.
Wednesday	...	...	Tottenham, West Green Corner, 8 p.m.
			Bethnal Green, Salmon and Ball, Cambridge Road, E., 8 p.m.
Thursday	...	...	Prince of Wales, Paddington, 8 p.m.
Friday	...	...	Prince of Wales, Paddington, 8 p.m.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to H. Solly, 2, Winthrop Street, Brady Street, E.1.

BIRKENHEAD.—Secretary, H. Dawson, 58, Willmer Road, Birkenhead. Branch meets every Thursday 7.30 p.m., at 36, Claughton Road. Lecture and discussion after branch business. Non-members invited.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets at above every Thursday, at 7.30 p.m.

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Communications to Sec., at 396, Heathway, Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Thursday, at 7.30 p.m. at Limehouse Library (Committee Room) Commercial Road, E.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., at 15, Barclay Place.

GATESHEAD.—Secretary, Edmund Howarth, 95, Bewick Road, Gateshead, Co. Durham, where branch meets every Tuesday, 7.30 p.m. Discussion after branch business.

GLASGOW.—Branch meets 2nd and 4th Fridays in month, 8 p.m., at 60, Fisher Street, Dennistoun, Glasgow, E.1. Sec. W. Law, at above address.

HACKNEY.—Branch meets Tuesday, at 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 7 p.m.—10.30, 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Sec., A. Bentley, 31, Claremont Road, W.9.

SCHEFFIELD.—Sec., J. Rodgers, 138, Rockingham Lane. Branch meets alternate Mondays, 7.30 p.m. at 162, Ellesmere Road. Non-members invited.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover Street, S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest Street, E.1. Branch meets on Fridays at Whitechapel Library, 8 p.m.

TOOTING.—Branch meets alternate Tuesdays at 8 p.m., Springfield Social Club, Garrat Lane, Tooting, opposite Burntwood Lane. Sec., J. Keable, 15, Haverhill Road, S.W.12.

TOTTENHAM.—Sec., F. A. Hammond, 64, Stroud Green Road, N.4. Branch meets 1st and 3rd Fridays in the month, Room 2, 7, Bruce Grove. Discussion after branch business. Public invited. Communications to C.T. Claude, 49 Napier Rd., N.15.

WALTHAMSTOW.—Sec., S. E. Williams, 64, Bloxhall Road, Leyton, E.10. Branch meets at Workmen's Hall, High Street, 2nd and 4th Mondays each month.

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain

HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be brought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

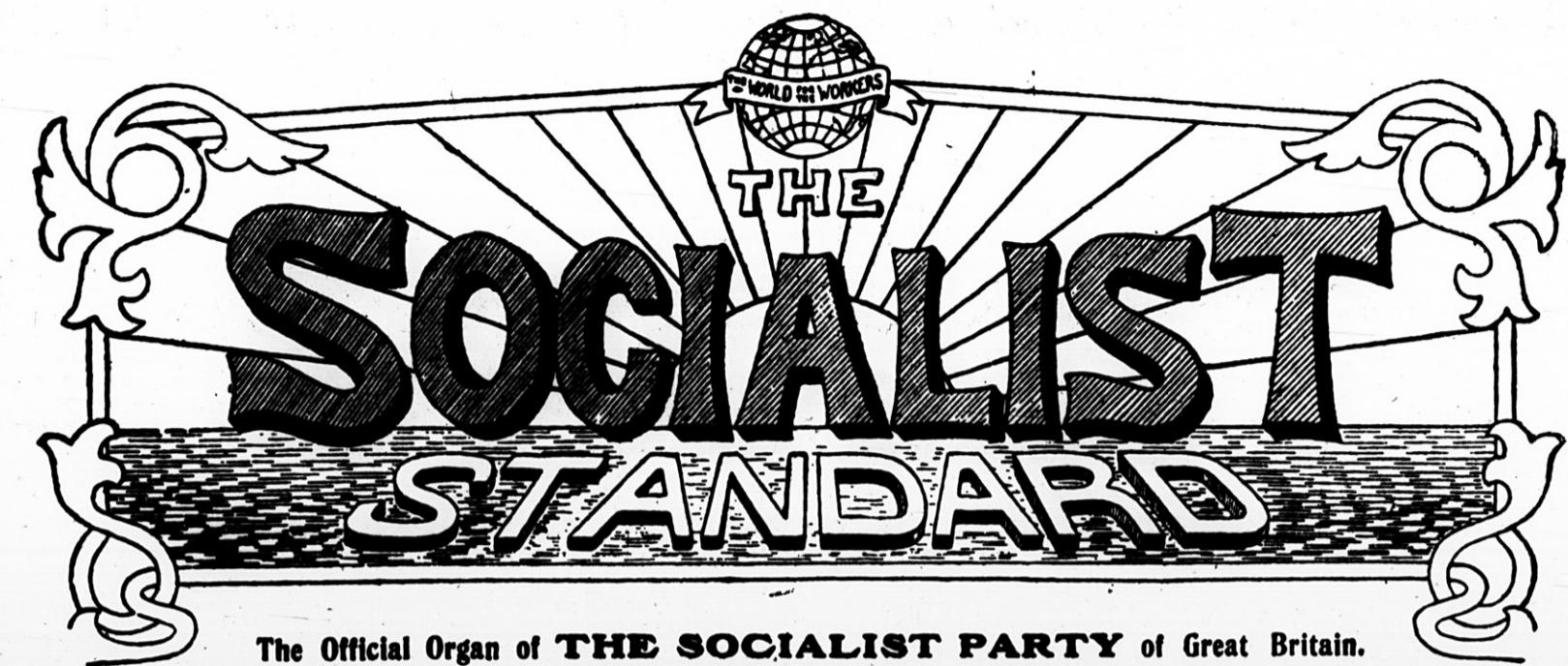
Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

Branch Directory—continued.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

No. 343. VOL. 29]

LONDON, MARCH, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

KARL MARX—AN APPRECIATION	97	MASS PRODUCTION AGAIN	105
SOUL SAVERS LTD.	101	A CHALLENGE TO THE SOCIALIST PARTY OF	
AMERICAN INVESTIGATORS BORROW FROM		AMERICA	107
MARX	102	ANSWERS TO CORRESPONDENTS	109
NOTICES OF MEETINGS AND LECTURES	103	ACTIVITIES AT HOME AND ABROAD	110
RIVAL EXPLOITERS IN MANCHURIA	104	BRANCH DIRECTORY	112

Karl Marx—An Appreciation

Fifty years ago, on March 14th, 1883, Karl Marx died in London, after a lifetime devoted to the workers' cause. The persecutions and privations he had endured in that cause hastened his death. When he died, much of the work he had planned still remained to be done, but, nevertheless, he had the satisfaction of knowing that he had given the working class movement all over the world an impulse and direction. His significance as a thinker and as a revolutionary grows more important each year, and although critics succeed one another in an unending line with "refutations" of his theories, those theories still stand awaiting disproof. History as it unfolds brings new illustrations of the truth of Marx's discoveries and of the inadequacy of opposing doctrines.

But, before we consider the body of Marxian thought, let us take a brief glance at the man himself.

Karl Marx was born on May 5th, 1818, at Treves, in the Rhineland, of Jewish parents who subsequently adopted Christianity. The Germany into which he was born was very different from modern Germany. It was mainly an agricultural country, and such industry as was carried on was still greatly restricted by relics of feudal barriers. There was nothing to which the term large-scale

industry, in the modern sense, could be applied. Industrialism, which had been growing apace in England during the previous fifty years, was hardly known. Politically the country was split up into a number of independent States, each with an autocratic government based on land ownership. The feudal restrictions on industry and commerce, the impediment to trade that was constituted by the multiplicity of States, made the German bourgeoisie, then just emerging into prominence and anxious for power, very receptive of the ideas that Napoleon by his victories had spread over Europe. A united Germany and a liberal constitution, these were the popular ideals in which the needs of the rising capitalist class expressed themselves. When Marx was twelve years old, the 1830 revolution broke out in France and spread to nearly all Europe. It is quite safe to assume that the events taking place around him made a deep impression on Marx even at that age. In 1835 Marx entered Bonn University and started on a course of jurisprudence to meet the wishes of his father, who was a lawyer. He added to this a study of philosophy and history, for the economic changes of the period were undermining all established ideas and forcing all who thought at all to seek a new basis for the understanding of life. The leaders in the new thought were the Young

Hegelians, the followers of Hegel. Marx became associated with this school, but soon became dissatisfied with the idealism of Hegel and began to spread a wider net than his master. It was through their common interest in Hegelian philosophy that Marx and Engels first met and the friendship was established that lasted until Marx died.

In 1841 Marx took his doctorate. The next year, when about to take up an appointment at Bonn University, he was offered, and accepted, the editorship of the *Rheinische Zeitung*, a Cologne newspaper started by the Rhineland Liberals, to which Marx had already contributed articles. This marks the turning-point in his career. From this time dates Marx's realisation of the historical task of the proletariat and of the inadequacy of all current philosophy. But at this stage Marx was far from the theories that are now known by his name. He was simply a Radical Democrat interested in and anxious to improve the conditions of the peasants and the workers. The controversies in which his work as an editor involved him soon convinced him of the need to study and understand political economy if political problems were to be understood. When, therefore, the attention paid by the censor to the *Rheinische Zeitung* hampered Marx in his work, he resigned his editorship in 1843 and, with his friend, Arnold Ruge, proceeded to Paris. (Notwithstanding Marx's departure from the editor's chair, the paper was suppressed shortly afterwards.) Before then he had married Jenny von Westphalen, the daughter of Baron von Westphalen, who was of Scots descent and who later became, in the words of Engels, "a reactionary minister of State."

To Paris had come, after 1830, a number of German revolutionaries. They had formed a secret society, out of which grew the League of the Just. The League had disappeared in 1839, but many of the leaders were still in Paris at the time of Marx's arrival. One of the original leaders, Schapper, had gone to London and started the Workers' Educational Society among the German artisans there. This was one of the beginnings of the Communist League. In Paris, Marx and Ruge started the *Deutsch-Französischen Jahrbücher*, of which, however, only two numbers appeared. By this time Marx had progressed beyond mere Radicalism, his thoughts were beginning to move along the lines of their final development, but his realisation of the revolutionary rôle of the proletariat in the development of society still required the basis which the conception of the class struggle was afterwards to give it. In 1844, in collaboration with Engels, he wrote the "Holy Family." Here the new theories begin to take form. (Engels states that Marx had worked out the "Materialist Conception of History" by 1845.) The importance of this book lies in the fact that, in working out the ideas, Marx had come to appreciate how essential for the purposes of his thought was a knowledge of the economic

laws governing production in the society in which he found himself. As a consequence, with his usual thoroughness, he took up seriously the study of economics. In 1845 Marx was compelled to leave Paris because of his attacks on the Prussian Government. He proceeded to Brussels. Here he wrote and published, in 1847, his "Poverty of Philosophy" in reply to Proudhon's "Philosophy of Poverty," and began the career of revolutionary activities that only death brought to an end. In 1847 he joined an organisation which, after a Congress held in London in that year, came to be known as the Communist League. It had grown out of various secret societies started in the different countries in which the leaders of the defunct League of the Just had found themselves. Towards the end of the same year (1847) a second Congress of the Communist League was held in London, at which Marx was present. At this Congress the new ideas of Marx, to which his studies during the preceding years had led him, came in conflict with the revolutionary idealism which up to then had provided the workers' movement with its basic ideas. Finally Marx managed to convert the Congress to his views and was instructed to prepare, in the name of the League, a manifesto setting out their aims.

The Communist Manifesto

The manifesto was written and issued by February, 1848, shortly before the outbreak of the 1848 revolution. This manifesto is what we now know as the Communist Manifesto. In writing it, Marx used a draft prepared by Engels before the Congress met, but to it he added what Engels himself has described as "the fundamental proposition which forms its nucleus." Engels goes on to state that proposition as follows:—

That in every historical epoch, the prevailing mode of economic production and exchange, and the social organisation necessarily following from it, form the basis upon which is built up, and from which alone can be explained, the political and intellectual history of that epoch; that consequently the whole history of mankind (since the dissolution of primitive tribal society, holding land in common ownership) has been a history of class struggles, contests between exploiting and exploited, ruling and oppressed classes; that the history of these class struggles forms a series of evolution in which, nowadays, a stage has been reached where the exploited and oppressed class—the proletariat—cannot attain its emancipation from the sway of the exploiting and ruling class—the bourgeoisie—without, at the same time, and once and for all emancipating society at large from all exploitation oppression, class-distinctions and class-struggles. (Preface to Communist Manifesto. Preface written by F. Engels, 1888.)

With the publication of the Manifesto a new stage is reached in the history of the working-class movement. The Manifesto may not be a perfect piece of work, from the point of view of the present day. Had Marx been called upon to write it in 1878 instead of 1848 certain things in it would no doubt have been different. Even so it contains in embryo most of Marx's later ideas and was a signi-

ficant advance on anything of the kind that had preceded it. It took Communistic thought out of the world of Utopias and set it up on a basis of reality.

The Writing of "Capital"

On February 24th, 1848, the revolution that overthrew Louis Philippe broke out in France, and by March Germany was in the throes of liberal revolutions. The Belgian Government did not choose at such a time to have a revolutionary of Marx's calibre in Brussels, so he had to seek shelter elsewhere. He returned to Paris, and from there went to Cologne accompanied by Engels. Here they started a newspaper, the *Neue Rheinische Zeitung*. For nearly a year this journal poured forth the opinions of Marx and Engels and brought to an examination of the political events and problems of the day the understanding of historical processes that the "Materialistic Conception of History" had provided. It was in the pages of this paper that the articles now gathered together under the title, "Wage Labour and Capital" appeared. Finally, during the period of reaction after 1848, the paper was suppressed (May, 1849), and Marx went on his travels again. After a short stay in Paris he sought refuge in London, and there he remained for the last thirty-four years of his life.

In 1852 the Communist League, after prolonged internal dissension among its members, came to an end, and for about ten years Marx was not actively engaged in political affairs. This was the period that commenced his prolonged economic researches, during which he laboured on the preparation of his greatest work—"Capital." At the beginning it was a period of great hardship for Marx, whose only source of income was his pen. Three of his children died as a result of the privations to which the family was subjected. In 1851 he became a contributor to the *New York Tribune*. Certain of the articles he wrote for this paper on events in Germany have since been gathered together under the title "Revolution and Counter Revolution." Another of his works, now widely read, "The Eighteenth Brumaire of Louis Bonaparte," also appeared about the same time in another paper, *Die Revolution*, published in New York. Engels meanwhile had gone into his father's business in Manchester as a means of providing monetary support. In 1859 the "Critique of Political Economy" appeared. This work is the forerunner of "Capital," and contains the first exposition of Marx's theory of value.

The First International

Marx's active participation in political agitation began again with the First International in 1864, of which he soon became the leading spirit. The inaugural address and constitution were written by Marx. They follow the lines laid down sixteen years before in the Communist Manifesto,

but show that Marx's thought had progressed far since 1848. The Declaration of Principles of the S.P.G.B. bears many strong resemblances to the constitution drawn up by Marx for the First International. But in writing for a body like the International Marx could not be entirely himself, and certain parts of the constitution cannot be considered as indicative of Marx's own ideas. About one passage, for example, he is found writing to Engels: "I was compelled to insert into the constitution some phrases about 'rights' and 'duties' as well as 'truth, morality and justice,' but all this is so placed that it is not likely to bring any harm."

Marx's struggle with Bakunin sprang out of the International, as did his famous monograph, "The Civil War in France," which was originally written as an address for the International. In 1873 the bureau of the International was shifted to New York. Three years later it had ceased to exist.

Throughout the period of his work on the General Council of the International Marx was continuing his researches and studies. In 1867 he published the first volume of "Capital." The other two volumes were first published after his death by Engels, who prepared them from the notes Marx left behind. In 1869 Engels retired from business, and returned to London in the following year. This meant easier conditions for Marx: Engels brought not only monetary assistance, but also relieved Marx of a large part of the work to be done for the International. After the transference of the International to New York Marx devoted all his energies to his studies. On these were spent the last ten years of his life.

The Marxian Theories

Marx's importance in the history of the Labour movement comes from his having discovered first the basic law governing the development of society, and second the essential economic principles underlying production in a particular form of society, the capitalistic form. The first of these is embodied in the "Materialist Conception of History," which is outlined above in the words of Engels. The corner-stone of the second is Marx's theory of value, the only economic theory that has succeeded in giving an adequate explanation of the sources of profit in capitalistic production. Both of these theories have been attacked, but it is safe to say that at no time has their validity been more apparent than to-day. A whole school of economic historians has arisen during the last fifty years, re-writing history from the viewpoint provided for them by Marx, although few of them are honest enough to acknowledge his influence. For the workers the importance of the Materialist Conception of History lies in its revelation of the class struggle as the mechanism through the operation of

which social changes are produced. Without the guiding principle of the class struggle working-class thought must inevitably flounder about in a morass of reformism. Until the identity of interests of all workers everywhere, as members of the same class, was made apparent by Marx, there was no solid basis on which an international working-class movement could be established. Without such a movement capitalism cannot be overthrown.

Marx's theory of value made clear the exploitation of the worker, gave it scientific proof and demonstrated its inevitability under capitalism. Here was the final blow to all theories of social reform. Once it was shown that the preventable evils from which the workers suffer are the result of their being members of an exploited class in society it followed that only by terminating their exploitation could those evils be abolished. Revolutionary Socialism was born.

The S.P.G.B. and Marx

It is to preach this that the S.P.G.B. exists. In putting itself forward as the only party worthy of the support of the workers, the S.P.G.B. does so as a Marxist organisation. What do we mean when we describe ourselves as a party of Marxists? In the first place, it does not mean that we claim infallibility for Marx, or accept all he wrote as dogma and true just because he wrote it. But we do claim that Marx, in all his main ideas, was correct and provided explanations of social problems and guidance in the solution of those problems. To the extent that these ideas pass the test of modern experience—and we contend that, fundamentally, they do satisfy such a test—we subscribe to them, but we do so in no blind spirit of hero worship. We appreciate that Marx, like lesser men, was subject to the environment in which he found himself. The body of his thought did not emerge fully formed at the beginning of his career, it developed and grew each year as his researches and experience increased. Inevitably, until Marx had completed his economic studies, his thought was not rounded off, and certain of his earlier ideas are not altogether consistent with those of his mature years. Engels referred to this in his introduction to "Wage Labour and Capital," Engels wrote:—

All his (Marx's) writings which appeared before the publication of the first part of his "Critique of Political Economy" differ in some points from those published after 1859, contain expressions and even entire sentences, which from the point of view of his later writings appear rather ambiguous and even untrue.

In other words, where there are contradictions—and they are relatively few—in Marx's teachings it is on the later statement that he must be judged. The particular conditions of his times, the undeveloped nature of capitalism and the struggles to overthrow the relics of the feudal restrictions on capitalist industry, made him an

advocate at certain periods of courses of action which, in his later years, he disavowed and which, in any event, are not applicable to modern conditions. For example, Marx's (and Engels') ideas on the use of armed force to achieve revolutionary objectives underwent a radical change during his lifetime, and the reasons that led Marx, in 1848, to advocate war with Russia, and later to subscribe to a political programme of immediate demands, including such things as the eight-hour day, are no longer operative: Marx's example cannot be pleaded in defence of the support given to the war of 1914-18 by the various Labour Parties of the belligerent countries or in justification of reformism. Experience has shown that a programme of immediate demands cannot be used to build up a socialist organisation. In practice immediate demands have soon brought confusion and destroyed the Socialist objective of the parties which adopted them.

Marx and Engels also underestimated capitalism's strength and ability to adjust itself to the demands made upon it. They both thought in the 'fifties that capitalism could not survive its industrial crisis and that its end was imminent.

We dare to mention the shortcomings of Marx even in a commemorative article just because he was a genius. His reputation is big enough to bear the truth. Marx, like Cromwell, would have insisted on being painted "warts and all." Only mediocrity has to be protected from being judged on account of its mistakes. It was Marx himself who said: "Ignorance never helped nor did anybody any good," and ignorance of the development of Marx's thought can only lead to difficulties in understanding his final ideas. An understanding of these ideas provides a sure and complete key to all modern social and political problems. The S.P.G.B. aims in its propaganda to provide that understanding.

B. S.

READERS IN THE UNITED STATES

Readers of the SOCIALIST STANDARD in the U.S.A. are invited to get into touch with the *Workers' Socialist Party* at the following addresses:—

Headquarters, 123, East 23rd Street, New York City.
Local Boston, Mass., FRED JACOBS, Secretary, 118c, Warren Street, Roxbury, Mass.
Local Detroit, Mich., NILS AKERVALL, Secretary, 70, Ferry W., Detroit, Mich.
Local Los Angeles, Calif., HELEN DYER, Secretary, 3011, Tillie Street, Los Angeles, Calif.

* * * * *

Per Comrade Beeson

We acknowledge with thanks the gift by an anonymous sympathiser of two bound volumes of the SOCIALIST STANDARD.

* * * * *

"SOCIALISM AND RELIGION"

48 pages. TWOPENCE 2½d. post free.

Soul Savers Ltd.

Christians often justify foreign missions on the grounds of the "good work" that is done among primitive races. Stories are told of the high-minded and selfless purpose which inspires the missionary in sacrificing his life in order to bring joy, the "true light," and the benefits of civilisation to the natives.

Critics have protested and shown how the parson has merely prepared the way for the capitalist exploiters who followed; have shown that, more often than not, instead of the joys of civilisation, degeneration resulted. This opinion is confirmed in a book (recently published by Jonathan Cape at 10s. 6d.), called "Deep Water and Shoal," by William Albert Robinson. Mr. Robinson is a young American, who, in search of adventure, travelled thirty thousand miles round the world in a thirty-foot sailing boat. In the course of his travels he lived for some time among the natives of the South Sea Islands and one chapter of his book is devoted to the missionary work of those islands. Not only, he found, did Christian teaching make the natives amenable to exploitation by capitalist traders, but also the missionaries undertook the business of exploiting the natives themselves.

Of the missionaries Mr. Robinson writes:—

The majority are people who have failed to make a living in other walks of life, or who have drifted into this work because of the security and ease which it offers. Some like to be little tin gods. I have met several whose mentality is little more than that of a Moron. And I could specifically name more than one who uses the service as a cloak under which to practice some form of perversion.

I know a particular mission centre on the north coast of New Guinea where a school is kept for the education of half-caste children that have resulted from liaisons between teachers of the Gospel and their native concubines.

On one of the eastern islands I met a representative of a prominent American church living in a state of polygamy with several native girls, under the pretext of teaching them domestic science.

It might be thought that these very practical means of bringing "joy to the heathen" would leave the humble followers of the "Man of Sorrows" who "had nowhere to lay his head," no time for mere earthly pursuits. It is not so. Says Mr. Robinson:—

They acquire everywhere the most desirable lands and compete unfairly with legitimate traders and creeds. . . .

The wealth and influence of the missions here amazed me. The profitable commercial activities here impressed so much that I was sure we had reached the peak of mission opulence. That was before I knew Alexishaven.

The affluence of Alexishaven was brought home to me the moment we arrived. There in the palm-shaded lagoon lay a splendid new Diesel schooner belonging to the mission. It had just come from the builders in Sydney, in exchange for \$70,000. The magnitude of the mission was astonishing. The copra plantations extended for many miles in all directions. There was a desiccating factory in which coconuts, not converted into copra, are shredded and packed for sale in foreign

markets. There was a great timber supply, a saw-mill, a furniture factory, machine shop, a printing shop, where missionary literature is produced, a shoemakers' shop, tailor, boat builder, brick factory, rice mill, apiary, school, hospital, and native quarters of windowless, air-tight board boxes for the seven hundred converts that live and work on the station. . . . The missionary lives on the fat of the land, with the entire population to draw upon for servants and labourers . . . who work from dawn to dark for a monthly wage of one shilling.

In the days of my tender boyhood I was taught by the "Father in God" who had charge of my spiritual welfare that Christianity was a practical everyday affair; that it was a vital something to be applied to the world of work and commerce, etc., etc. On being pitchforked from school to a factory one week was sufficient to cause disillusionment. But, alas! it appears that I might have been mistaken; for Mr. Robinson shows that Christianity is applied to business affairs. And how? Read on:—

Usually in the Pacific, because of their religious affiliations the missionaries are allowed to engage in commerce without the usual regulations. Here, in New Guinea, they were going in for it on such a scale that the Government forced them to incorporate as full-fledged business organisations. Hence we have the extraordinary firm names of "Mission of the Sacred Heart of Jesus Christ, Limited," and "Catholic Mission of the Holy Ghost, Limited."

Religion has been described as being the "opium of the people." The following is surely an apt illustration of it. It might be a piece of tragicomedy or burlesque:—

Occasionally the missionaries create an amusing situation. Just before Svaap came to the New Guinea coast a mission there had a grand idea. The natives were making their copra. They were told that they must make one sackful for Christ for each sack of their own. This would prove the sincerity of their religion and would help counteract their wordly sins which might otherwise cause them to be tortured in hell after death. (Hell in this case was the live volcano, Manam, which steamed away a few miles off the coast.) The mission would collect the copra later and see that it was safely delivered to its holy recipient.

Life went on smoothly. A certain trader somehow got hold of the story. One day a schooner came to anchor just off the main village. A strange figure stood on the deck in a flowing nightgown. He wore a long beard. The stranger reminded one slightly of Anton Lang in the Passion Play.

One or two of the native crew went ashore, and somehow the rumour sped far and wide that the stranger was Jesus Himself, come for his copra. There was tremendous excitement ashore, and runners went to all the outlying hamlets with the news. All day long the schooner lay there, and all day a procession of loaded canoes propelled by awed natives made its way alongside. When the ship could hold no more copra, the man that looked like Anton Lang offered thanks. Then the ship sailed off over the horizon, full of Christ's copra.

Mr. Robinson describes some of the various means employed for extorting money from the natives. A baptism fee is demanded. "There are free offerings at which natives are publicly shamed into giving more than they can afford. Money has been asked to 'Buy Jesus clothes.'" Even the pittance of the leper is prey for these heavenly vultures. The story is told of a mis-

sionary who visited a leper colony with the deliberate intention of relieving the lepers of money which he knew they had each received as a seasonal gift. "You are lepers," he told them. "Your death will come sooner and will be more painful if you do not give all to the cause. And the tortures of hell will await." This piece of dirty work was done when the doctor who was in charge of the lepers was temporarily absent from his duties. It is to the credit of the white population, so indignant were they at this piece of infamy, that they compelled the holy man to return the lepers their money.

There is much more. Good and simple descriptions of the degenerating influence of the Christian religion on the native mind; of the destruction of their arts and crafts by capitalist competition: but space forbids further quotations.

Thus do the holy men of God bring enlightenment and joy to the primitive races: doing faithful service for and imitating the methods of their great god—CAPITAL.

H. W.

American Investigators Borrow from Marx.

We Socialists have a saying that every ruling class helps to dig its own grave. As excellent evidence—consider the massive report just issued after three years of research by President Hoover's Research Committee on Social Trends. The first section, containing a summary of all the data in the report, runs into two great volumes totalling 1,600 pages, the rest is to follow in thirteen other volumes. The work, perhaps the most extensive of its kind ever undertaken, is entitled "Recent Social Trends in the United States," and is the work of nine prominent sociologists aided by a research group of five hundred investigators.

There is historic irony in the fact that it is Herbert Hoover who, nominally at least, initiated this work, so that he, the great apostle of old-fashioned American "rugged individualism," must swallow as best he can this authoritative, urgent call for some form of extended social control and planning if the capitalist system is to even receive palliative treatment for the diseases from which it is suffering. The great defender of competition has authorised the blue-print for State Capitalism. However, that is the way of history.

The Committee was set up in September, 1929. It is legitimate to speculate whether Hoover would have cared to sponsor the job a year later, when the depression was in full swing and he and his gang were boasting that all was well with American industry—the great smash merely a little indigestion.

The Report is full of statistical matter which will be of invaluable use for us in our propaganda. Here, the present writer wishes to emphasise the open acceptance, though without acknowledgment, of course, of the basic proposition of Marxism, first laid down by Marx and Engels in the Communist Manifesto eighty-five years ago and later stated by Marx as follows:—

"The mode of production in material life determines the general character of the social, political, and spiritual processes of life. It is not the consciousness of men that determines their existence, but on the contrary their social existence determines their consciousness.

"At a certain stage in their development, the material forces of production in society come into conflict with the existing relations of production, or—what is but a legal expression for the same thing—with the property relations within which they have been at work before. From forms of development of the forces of production, these turn into their fetters. Then comes the period of social revolution. With the change of the economic foundation, the entire immense superstructure is more or less rapidly transformed.

"In considering such transformations the distinction should always be made between the material transformation of the economic conditions of production, which can be determined with the precision of natural science, and the legal, political, religious, aesthetic, or philosophical—in short, the ideological forms in which men become conscious of this conflict and fight it out." (An extract from the remarkable formulation of the essence of his materialistic conception of history to be found in Marx's introduction to his "Critique of Political Economy," published in 1859.)

The above generalisation was for long completely ignored by the professional sociologists of the universities. Later it was condemned as a false and pernicious doctrine generally being misrepresented out of all recognition. In recent years many historians have adopted it as the real clue to history and the only tool by which they could justify their claim to be "scientific historians." In "Recent Social Trends" the principle is stressed very clearly though the revolutionary conclusions drawn by Marx are not drawn by the Committee, or to be more specific are only vaguely hinted at in their indefinite suggestions as to future changes. The following are extracts from the Introduction:—

"Scientific discoveries and inventions instigate changes, first, in the economic organisation and social habits which are most closely associated with them. . . . The next set of changes occurs in organisations one step further removed, namely, in institutions such as the family, the government, the schools and the churches. Somewhat later, as a rule, come changes in social philosophies and

codes of behaviour, though at times these may precede the others."

A paragraph earlier we read: "These unequal rates of change in economic life, in government, in education, in science and religion, make zones of danger and points of tension. It is almost as if the various functions of the body or the parts of an automobile were operating at unsynchronised speeds."

The Report deals with the way in which various social problems: poverty in the midst of plenty, unemployment, recurring depressions, crime waves and so on, are generated, or at least intensified by the growing mal-adjustment between the productive forces and social institutions, and issues this warning:—

"Fully realising its mission, the committee does not wish to assume an alarmist irresponsibility, but on the other hand it would be highly negligent to gloss over the bitter realities of the social situation, and to ignore the imminent perils in further advance of our heavy technical machinery over crumbling roads and shaking bridges. There are times when silence is not neutrality, but assent."

The Committee asserts that it was no part of its job to show the solution to these social problems, but merely to describe them and show how they arose. They apparently do not see that the various problems of mal-adjustment they emphasise are but the secondary effects of a fundamental mal-adjustment in capitalist society—that between social production—shown in the co-ordinated production in the workshop in the complex social operations of the market and in the interdependence of all producers within the nation and even over the whole world, and private ownership of the means of production—which results in the (partial) control of the vast productive process by a relatively few fabulously wealthy capitalists in their own interests with no thought whatever of either social welfare or co-ordination.

Though the Committee sees the urgent need for social co-ordination and control they venture to hope that it may be done "without any surrender of our belief in the merits of private property." Some optimists!

R. W. H.

Wembley Branch

Members and sympathisers in the Wembley district are invited to communicate with the Secretary of the newly formed Wembley Branch, H. G. Holt, 36, Rosebank Avenue, Sudbury Hill. The branch is the result of hard spade-work by a small group of members. With additional support from sympathisers there is every prospect of fruitful work being carried on in the neighbourhood.

HOW TO GET TO HEAD OFFICE

Great Dover Street is a turning out of Borough High Street, near Borough (Underground) Station. The station is on the line from Morden to Hampstead and Highgate, and lies between the Bank Station and Elephant and Castle.

NOTICES OF MEETINGS & LECTURES

*All Meetings and Lectures are open to Non-members.
Admission Free. Questions and Discussion.*

HEAD OFFICE.	8 p.m. Sunday Evening.
March 5th ..	.. "Common Fallacies."
March 12th ..	.. "Socialism and War."
March 19th ..	.. "Socialism."
March 26th ..	.. "Our Real Enemies."
	I. Ginsberg.

HACKNEY.	Friday, March 10th,
A Lecture will be given at 14A, GRAHAM ROAD, on Friday.	
March 10th, at 8 p.m. (Room 8).	
Subject	"The Principles of Socialism."
Speaker	D. Russell.

BETHNAL GREEN.	Friday, March 17th.
A Meeting will be held at BETHNAL GREEN LIBRARY,	
on Friday, 17th March, at 8 p.m.	
Subject	"Will Capitalism Survive the Crises?"
Speaker	E. Hardy

DAGENHAM.	Sundays, March 5th and 19th.
Meetings will be held at the DAGENHAM LABOUR INSTITUTE, Charlotte Road, Church Elm Lane, at 7.30 p.m.	
as under:—	
March 5th ..	.. "Why the S.P.G.B. is Opposed to all other Political Parties."
	G. Bellingham.
March 19th ..	.. "The Morality of Work and Idleness."
	D. Russell.

LEYTON.	Sundays, March 5th and 19th, and April 2nd.
Meetings will be held on Sundays, March 5th and 19th, and April 2nd, at GROVE HOUSE, High Road, Leyton, at 7.30 p.m. as under:—	
March 5th ..	.. "The Road to Power."
	Sandy.
March 19th ..	.. "Religion and Exploitation."
	Gilmac.
April 2nd ..	.. "Socialism and the Confusionist."
	E. Lake.

STOCKPORT.	Sunday, March 19th.
A Meeting will be held on Sunday, March 19th, at 6.45 p.m.,	
at STOCKPORT LABOUR FELLOWSHIP.	
Subject—	
"Why the S.P.G.B. Opposes all other Political Parties."	
Speaker	Jack Lea.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The Socialist Standard



MARCH,

1933

Rival Exploiters in Manchuria

The centre of the present Eastern trouble, Manchuria, is described as an area rich in natural resources and about the size of France and Germany put together. Forty years ago it was practically unpopulated, but of late years China's surplus population of farmers have been pouring in, and the population is now about 30 millions. Japan is its nearest neighbour and largest customer, and has exported to it large quantities of capital goods and manufactured articles in exchange for foodstuffs and raw materials. The chief agricultural product is the Soya bean, and in 1929 Manchuria produced 63 per cent. of the entire world production.

The favourable outcome of the Russo-Japanese War gave Japan the opportunity, which it seized upon at once, to develop Manchuria's resources for the advantage of Japanese capital; though, like her western forerunners, it was done on the plea that Japan was only actuated by consideration for the good of the local population. The same motive is still put forward to cloak the real economic designs. The Imperialistic projects are simply an effort, on the one hand, to get a most favoured position in Manchuria, and, on the other, to secure stable conditions there that will ensure the free flow of profit to Japanese capitalists.

There is another question that also deeply concerns both Japan and China. They are fertile people and are constantly faced with problems of a surplus population. This affects Japan even more than China. Immigration restrictions of other countries and their late entry into the race for colonial possessions makes the problem more acute. Hence a rich, developing and under-

populated country of the size of Manchuria offers a prize well worth a struggle.

From the general point of view of Western capitalists China is, and has been, a land to plunder, and Manchuria is a part of China. The recent report of the League of Nations, representing the general attitude, leaves no doubt on the point.

For decades China has been looked upon as the legitimate spoil of the capitalists of the more advanced nations, each of which has jealously watched any movements of the others that promised a larger share of the Chinese market. Of late years Japan has made considerable strides industrially and has sought for and obtained a more commanding position in China and, incidentally, through this, has challenged the position of Western nations, and particularly England, in the Indian market.

The general attitude of the advanced nations towards China was made quite clear in the "Nine-Power Treaty," signed at Washington in 1922. Article III of this pact makes clear the humbug of the professions on the alleged right possessed by each nation of "self-determination" so commonly put forward as a cardinal principle of modern diplomatic practice. The section in question opens with the statement:—

With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, etc.

Here it is made plain that while the parties to the treaty could impose tariffs and restrictions to their hearts' content within their own borders, China must submit to their operations without wielding any such defensive or offensive weapons. Another paragraph in the same article made provision for the mutual exploiting rights of the capitalists of each of the powers in the following words:—

It is understood that the foregoing stipulations of this Article are not to be so construed as to prohibit the acquisition of such property or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or the encouragement of invention and research.

Further, Article V of the Pact lays down the following:—

China agrees that, throughout the whole of the railways in China, she will not exercise or permit unfair discrimination of any kind. In particular there shall be no discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese railways.

The signatories to the Pact claimed that by this means they had at last definitely secured the policy of the "Open Door" in China. Chinese industry, however, has been making progress and Chinese capitalists find the urge for having a

finger in the pie of exploitation becoming ever stronger, and they strive to set the other contending parties at loggerheads, while Japan, which along with Russia is the nearest power to the Chinese market, copies the diplomatic methods learnt from the West in the effort to steal a march on her rivals. According to the Committee of the League of Nations (see "Manchester Guardian," February 18th).

A group of Japanese civil and military officials conceived, organised, and carried through the Manchurian independence movement as a solution to the situation in Manchuria as it existed after the events of September 18th, and with this object made use of the names and actions of certain Chinese individuals and took advantage of certain minorities and native communities that had grievances against the Chinese Administration. This movement, which rapidly received assistance and direction from the Japanese General Staff, could only be carried through owing to the presence of the Japanese troops. It cannot be considered as a spontaneous and genuine independence movement.

To this, of course, Japan has replied in effect, "There are others"!

The present situation has been developing for a long time and China and Japan have already come to blows before. In view of the fact that to stop the War the Western nations need only peremptorily warn Japan off it may be wondered why Japanese capitalists have the impudence to push their claims and why there has been so much "diplomacy" rather than "direct action." The matter, however, is not quite so simple as it might appear. An indication of this was given in an article in the "Evening Standard" (February 6th) by "A Diplomatic Correspondent," who put the case for Japan. He points out:—

Japan requires body-space. Her population is increasing at the rate of 1,000,000 a year. She has invested a sum of approximately £200,000,000—much of it lent by the British—in Manchuria.

The British investors who provided part of this loan can hardly be expected to favour the aspirations of China. At bottom the interests of investors will determine their attitude towards the Chino-Japanese War, and the workers of Japan and China will provide the cannon fodder. The object of the struggle, however, is quite simple. The European and Asiatic capitalists are endeavouring to enlarge their portion of the plunder wrung from the Eastern worker. Like all capitalist wars, there is no interest at stake in the present one worth the shedding of a single drop of working-class blood.

The part played by the League of Nations is worthy of comment. Set up as an alleged means of abolishing the need for the use of arms in settling international disputes, it has lived up to its reputation in this, as in previous instances, as being but a sham to throw up a smoke screen of talk and deliberation to hide the machinations of the stronger powers. Its power is alleged to be centred in the "power of public opinion," but opinions are nowhere against a "whiff of grape."

—hence the powers that participate in the League of Nations arm to the teeth.

At the present moment, Bolivia and Paraguay, Columbia and Peru, China and Japan, are fighting each other—and they are all members of the League of Nations!

Mass Production Again

"Successful Living in this Machine Age," by Edward A. Filene. With an introduction by Glenn Frank, President, University of Wisconsin, Jonathan Cape, London and Toronto. A review.

This work, the author claims, is based on fact finding, and while it is true that many of his facts are real enough, others are just children of his wishes. Moreover, as his conclusions are all based on these mythical facts, his fact finding is a failure. For while Mr. Filene relentlessly exposes the poverty and chaos that machine production under capitalism has engendered, he either ignores or belittles the economic relations set up between classes. He fondly imagines that capitalists must, before long, be persuaded that mass production will not only remove bad trade and crises, but will cure, once and for all, working class poverty. His definition of mass production is, in itself almost sufficient to show how completely he ignores the economic basis of present society and the opposition of interests that result from it. His definition reads:—

Mass Production is not simply large-scale production. It is large scale production based upon a clear understanding that increased production demands increased buying, and that the greatest total profits can be obtained only if the masses can, and do, enjoy a higher and ever higher standard of living. For selfish business reasons, therefore, genuine mass production industries must make prices lower and lower and wages higher and higher, while constantly shortening the workday, and bringing to the masses, not only more money, but more time in which to use and enjoy the ever-increasing volume of industrial products. Mass Production, therefore, is production for the masses. It changes the whole social order. It necessitates the abandonment of all class thinking, and the substitution of fact-finding for tradition, not only by business men, but by all who wish to live successfully in the machine age. But it is not standardising human life. It is liberating the masses, rather, from the struggle for mere existence, and enabling them, for the first time in human history, to give their attention to more distinctly human problems.

Anti-Socialists have long kept the workers amused by ridiculing the milleniums and utopias of the early social reformers. Mr. Filene proclaims the imminence of a capitalist millenium that leaves Fourier's schemes cold in the realm of imagination. Capitalists and workers will no longer jangle over their respective shares of the world's wealth, because there will be plenty for all, together with ample leisure in which to enjoy it.

The real miracle of the scheme is, however, the human characteristic on which he bases it, i.e., selfish business reasons. Capitalists will pay higher and ever higher wages for selfish business reasons.

They will make prices lower and lower for the same reasons. But Mr. Filene never indicates how high wages can rise or how low prices can be reduced. Nor does he say what relation profits will bear, either to wages, or to the sum total of prices.

It must be obvious that the sum total of prices constitutes the sole fund from which both wages and profits can come. Adjustment to-day between these two takes place by way of disputes. Mr. Filene fails to take into account the world-wide struggle continually going on. His utopia necessitates the abandonment of all class thinking. Hence he leaves it out of his reckoning. It is an awkward and ugly everyday fact that gets in the way of his imaginative flights into the land of plenty.

But Mr. Filene's dreams and schemes are not all in the future. They can be made of practical use to-day. On page 153 he says:—

If these business leaders only knew it, they could make America absolutely immune to communist propaganda. It would not be necessary to deport or imprison or even censor a single communist. All that they would have to do would be to tackle the problem of unemployment—which happens to be a problem which business can solve, and which the Communists cannot. It is not a problem, to be sure, which can be solved in a day, but if American business would once promise to solve it, if it would once let the whole world know they recognised the problem as one which business must solve at any cost, that in itself would fasten the attention of both workers and unemployed upon the business programme, and distract it from the agitators and demagogues who now get a hearing only because business has not yet publicly accepted its responsibility. (Italics Filene's.)

A promise, says Mr. Filene, will keep the workers and unemployed quiet. In the meantime big business will proceed as usual with mass production and rationalisation, assured of the workers' approval, because the methods they are following are part of the programme. But there is no need for the workers to be deceived if they will only rely on their experience. Rationalisation and mass production, so far, have increased unemployment, and there is no reason to suppose that they can do otherwise.

Mass production in a new industry is quite a different thing from mass production in old ones. When it was adopted in bakeries, unemployment increased quite definitely in the baking trade as a result. The same thing applied with boots, tailoring, agricultural products and all the ordinary things of everyday life. Whenever modern methods have been adopted large numbers of workers have been discharged.

The defence put up by business men has been that prices are reduced and so many more commodities sold, as a result, that employment is unaffected.

The fact that unemployment has increased simultaneously with the increase of all labour-saving methods goes far to prove that the two are intimately connected. Moreover, many mechanical inventions are advertised publicly as displacing so many workers. What becomes of them, when every industry is already overcrowded?

According to Mr. Filene, Henry Ford is the one shining example of the success of mass production methods. Ford, he claims, not only increased the number of people using cars, but incidentally called into existence new services, new roads, etc., that gave employment to four million people. To attribute all this to Ford is, of course, a wild exaggeration. All that Ford did was to foresee the demand for cheap cars and take advantage of the rising tide. By mass production, efficient machinery and general speeding up of workers he held the field for a time.

In 1927 he was forced to reorganise his entire plant owing to the competition of General Motors, financed by Morgan. The competition between these magnates has, if anything, grown fiercer since 1927. The recent strike in the Briggs' plant, which compelled Ford to close his huge works at Dearborn, he declared was fomented by his rivals, assisted by the banks. The *News-Chronicle*, 30/1/33, however, says:—

It is the unwillingness of Briggs' officials to admit the right of the shop committees to bargain on behalf of their workers that has prolonged the strike, which, so far as conditions of labour go, could have been settled last week. As a result of Mr. Ford's leadership, Detroit and its surrounding industrial area is a stronghold of the "open shop," and Mr. Ford has often declared that he would sooner shut down his works than admit the shop committees to equal bargaining rights.

This attitude of Mr. Ford's towards collective bargaining shatters another illusion for Mr. Filene, who sees in mass-production an instrument that fosters the team spirit and makes interests between masters and workers identical. However progressive Mr. Ford may be in capturing markets, he still retains the usual capitalist mind that brooks no interference from his wage-slaves in the conduct of his business.

Thus in Filene's one shining example of successful mass production, the old capitalist game of beggar-my-neighbour is played once again, on a bigger scale, for bigger markets and for larger profits. Yet he fondly imagines that those who play the game will become humanitarians as the stakes increase and the hazards become greater.

The truth about any new industry is that it usually absorbs more and more labour as it develops, until demand is satisfied. The numbers employed will be affected by the degree of efficiency already reached in the means of production, together with the rapidity with which special machines are invented or adapted to the new purpose. The invention of machinery to produce machinery has made far greater strides than other forms. Ford's workers did remarkable work with the machinery available; but far more was done by perfecting the plant. Ford won huge profits, but the biggest stake went to Morgan, because he had the capital with which to win out.

That is always the way with capitalism. The big concerns beat or swallow the lesser ones, which are already gorged with still smaller ones. But all

of them, while they exist, feed and grow by the exploitation of the workers. The latter can never hope to benefit by mass production while his labour-power is a commodity which he must sell in order to live.

Mass production may provide him with the necessities of life at a lower cost, but capitalists will only see in that an excuse for reducing wages. Thus the benefits of the machine age will always elude him until he organises politically with his fellows to take and use the machines for the satisfaction of his needs, under a democratically arranged system of production and distribution. F. F.

A Challenge to the Socialist Party of America

[As our American comrades, the Workers' Socialist Party, have no journal of their own, they have asked us to publish the following statement. We are willing to allow reasonable space for a reply by the Socialist Party of America.—Ed. Comm.]

In every capitalist country there are organisations that call themselves Socialist and claim to stand in the interests of the working class, while their activity consists in misrepresenting Socialist teachings, distorting Marxism, and generally seeking to keep the workers' attention focussed on any or everything but their real interest, the attainment of Socialism. The Labour Party in England is an example; their would-be imitator in the United States, the so-called Socialist Party of America, is another, amongst many others. Innumerable instances have been quoted in the *SOCIALIST STANDARD* giving evidence of the unsound and treacherous nature of these Parties. Below is presented a further example of how such organisations make their sly attacks on the Socialist movement, and how they hedge and evade when brought to task by Socialists.

James Oneal, editor of *The New Leader* (New York), an official publication of the Socialist Party of America, wrote an article in his paper in which he misrepresented the Workers' Socialist Party; whose Executive Committee thereupon sent a reply (appended below) asking for publication in *The New Leader*. We considered this to be no extraordinary request, more especially in the light of the following occurrence:

A news item recently appeared in the *New York World-Telegram*, which is an open supporter of capitalism, telling of internal controversy in the S.P. of A., pointing out a split between two of their "leaders" and their respective factions over their trade union policy. One of their members wrote to the capitalist sheet, setting forth his claim that the reporter had erred. Incidentally, this letter, signed by another S.P.

of A. "leader," Julius Gerber, contains the admission:

"The Socialist Party permits its members the widest latitude of opinion and expression, and Mr. Thomas, differing with the majority, not only of the national executive committee but of the membership of the party, has a right to hold and express his opinion."

We submit that the sentence quoted bears out in full all that we claimed against the S.P. of A. in our letter to *The New Leader*. The *New York World-Telegram* printed Gerber's letter within five days. We thought the "Socialist" paper, which claims to be interested in all the problems of the working class, would show at least as much courtesy.

Our letter to *The New Leader* follows:—
Letter of the Workers' Socialist Party to the Socialist Party of America.

To the Editor, *New Leader*, 7E, 15th Street, New York, N.Y.
Dear Sir,

Under instructions from the Executive Committee of the Workers' Socialist Party, I am sending you the enclosed letter, which concerns itself with an article, signed by yourself, which appeared in the *New Leader* of January 7th, 1933.

In our estimation, your article contained an error, which should be corrected through the same medium in which it was made. Therefore, as a matter of courtesy to us—and the facts—will you please publish the enclosed in the *New Leader* at your earliest opportunity?

Yours truly,
(Signed) SCOTT FRAMPTON,
National Secretary.

"To the Editor, *New Leader*, 7, E. 15th St., New York, N.Y.

"Dear Sir:

"Mr. James Oneal's musical number, 'The Chorus of Chaos,' in the *New Leader* of January 7th, 1933, very carelessly includes the Workers' Socialist Party in a list of what Oneal designates as Socialist organisations. The accurate heading for his inventory is 'Organisations that advocate use of the ballot.' Only one of the groups listed can successfully maintain its claim to be Socialist: that is the Workers' Socialist Party. The others may bear labels, but it can be easily demonstrated—by a Socialist—that they are all not only not Socialist, but anti-Socialist and anti-working-class. It is worthy of note that Oneal considers his own Party, the so-called Socialist Party of America, a member of the Chorus of Chaos. The Workers' Socialist Party declines the nomination, and maintains itself to be the *only* Socialist Party in the United States.

"Says Mr. Oneal, anent the groups listed by him, '... let them endeavour to formulate a fundamental programme and philosophy and they will find some difficulties,' the inference being that none of the groups have a fundamental programme. The Workers' Socialist Party refusing to be included, this inference is correct for the remaining organisations.

"Mr. Oneal writes: 'If we could get representatives of the whole twenty groups into an orchestra, what a symphony this amalgam of communism, syndicalism, parlour bolshevism, socialism, impossibilism, opportunism, liberalism, progressiveness, intellectualism, technocracy, radicalism and agrarianism would be!' Why the 'If'?

"Let us give ear to Mr. Hillquit for a moment. He felt it necessary lately to call upon the 'Socialist Party of America' to 'determine fundamental questions of Socialist principles . . .' (The American Socialist Quarterly, April, 1932). After a third of a century of its existence he admits his Party does not yet know the fundamental principles of Socialism. Says he (same place) 'It must appear before the people with a clear-cut, convincing and aggressive programme and a consistent and harmonious social and political philosophy. And it is on this point that our Party is somewhat weak.'

"On this point, as well as on fundamentals, the Workers' Socialist Party is clear and Socialist. It holds—

"That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railroads, etc.) by the capitalist or master class, and the consequent enslavement of the working class by whose labour alone all wealth is produced. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce and those who produce but do not possess. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people. Furthermore, there is no confusion of the issue by a clutter of prescriptions of social paragoric reform 'demands.' Of course, the clear-cut Socialist programme does not attract non-Socialist support. Mr. Hillquit knows this.

"Hillquit had this in mind at the New York City convention of his Party, January 16th and 17th, 1932, when he was voicing his opposition to the proposal to restore the reference to the class struggle to the application card. 'He felt that 75 per cent. of new members signing the blank would not know what the class struggle meant.' (New Leader, February 6th, 1932.) Evidence is at hand that they would be unable to find its meaning, after signing, within the 'Socialist' Party of America. At their convention in May, 1932, Hillquit explained this in part, as follows:

"There is opposition to me because I represent working classes, Marxian Socialism as against three other trends which have appeared in our party,' Mr. Hillquit declared. 'One of these trends is the militant group, a well-meaning,

immature movement that will eventually settle down but is at yet untamed and dangerous. Then there is the movement of extreme opportunism, appealing to intellectuals and college men. Then, thirdly, there is the practical, 'get-something-to-day' school of socialism; get control of a city and show the people a good sewer system as an achievement. That is not my type of socialism, and to-day all these factions are in unholy alliance against me.' (Herald-Tribune, May 24th, 1932.)

"Thus a 'leader' agonised. In contrast, the Workers' Socialist Party declares that the emancipation of the working class 'must be the work of the working class itself.' But then, we are not a member of Mr. Oneal's orchestra.

"At this same convention (see report quoted) 'Charges of Ku-Kluxism in the party, anti-Semitism and sectional bitterness were hurled by supporters of Mr. Hillquit in more than three hours of furious debate. Mayor Hoan's backers pleaded for a party more popular and practical, one not fashioned along the lines of doctrinaire Marxism.'

"The Workers' Socialist Party declares that ' . . . the emancipation of the working class will involve the emancipation of all mankind *without distinction of race or sex*.' But then we are not angling for politically ignorant votes for Milwaukee office-holders.

"We could go on almost indefinitely, covering the whole history of the 'Socialist' Party of America, showing that its aim is not socialism, that it is not made up of Socialists—in fact, a Socialist would not even apply for admission. The New Leader columnist, S. A. de Witt, put it nicely: 'And we simply just cannot go on much further along the line of opportunistic social reform, and still keep our identity as Socialists.' (New Leader, Aug. 30th, 1930.) 'Identity as Socialists,' indeed! amongst a pack of pedlars of every imaginable half-baked quack nostrum, from early Christianity, through advocacy of the capital levy, and to 'controlled' inflation, pleading to help the capitalist dunderheads to monkey with the currency, and weeping to the workers what a whacking they will suffer if the inflation does take place! (Thomas's column in the New Leader, June 25th, 1932.) Out of their own mouths they stand condemned of having no claim to call themselves Socialists. They are the 'orchestra' that Mr. Oneal suggests; but that they make a symphony playing all those old, worn-out reform tunes of capitalist composition—really, that would be carrying the simile a little too far.

"On the other hand, Mr. Oneal could easily have informed himself of the fundamental programme of the Workers' Socialist Party; it appears in the form of a brief, but sufficient, Object and Declaration of Principles, on every

piece of literature that Party distributes. He can find it on the back cover page of the SOCIALIST STANDARD, to be had at the Rand School bookstore. We have quoted it, in part, above. This programme is the one clear note that Mr. Oneal's unmusical (that is, un-Socialist) ear failed to distinguish above the clash and clatter of his Chaotic Chorus, the so-called Socialist Party of America." The Executive Committee.

Workers Socialist Party of the United States.

The Socialist Party of America Refuses Publication

In the *New Leader* of January 21st appeared this reply:

We have received from Scott Frampton, national Secretary of the Workers' Socialist Party, nearly five pages disagreeing with the item in the *New Leader* of January 7th, entitled "The Chorus of Chaos." The letter presents the case for the Workers' Socialist Party, which "maintains itself to be the only Socialist Party in the United States."

We have a high respect for the devotion of this group to education in fundamentals of Socialist philosophy, but we submit that the sentence we quote above justifies the caption we gave to our item. The claim of the Workers' Socialist Party is the claim of the S.L.P., the Socialist Party, the Communists and others, and these mutually conflicting claims constitute a "chorus of chaos." The letter of Comrade Frampton enumerates the reasons for the claim his party makes.

We have no desire to open our columns to a general debate between the organisations we mentioned regarding the respective claims of each. Our statement was a general one. It did not single out the Workers' Socialist Party, nor did it exclude the Socialist Party.

If there is to be a debate on this theme, the *New Leader* is content to call attention to the theme, but not to provide the forum for discussing the merits of the various organisations.

Their last paragraph can only mean that they are 'content' to attack the Workers' Socialist Party, but refuse to discuss the matter. The reason for this is clear. There are workers, now members of the S.P. of A., who are honestly and sincerely anxious to find out about Socialism. The leaders dare not face a discussion in their press with Socialists; they know how easily we can demonstrate their anti-Socialist character, and that they would lose members as a result. They also know that the 'claim of the Workers' Socialist Party' is NOT 'the claim of the S.L.P.' S.P. of A., etc. The S.P. of A. is the result of a split in the S.L.P., more than thirty years ago, because of that party's unsound, un-Socialist make-up, its 'chorus of chaos.' The 'Communist' Party is the result of a split in the S.P. of A. for the same reason. And the 'chorus of chaos' is not made up of 'these mutually conflicting claims,' but is exactly what we showed it is in our letter to the *New Leader*.

To say that the Workers' Socialist Party was not singled out is weak. The inclusion of Socialists in with a mess of anti-Socialists is nothing else but 'singling out'; it is an attack. This same *New Leader*, of January 21st, claims,

editorially, that ' . . . this evident desire for thorough knowledge of Socialist principles is welcome.' We insist that if they mean welcome to the S.P. of A. 'leaders,' then they would have taken up our challenge and thrashed the matter out for the benefit of all those workers who read the *New Leader*. But evidently they are content to remain the anti-Socialist Party of America.

The National Executive Committee of the Workers' Socialist Party (U.S.A.), per SCOTT FRAMPTON, Nat. Secretary

ANSWERS TO CORRESPONDENTS

"Dorset Socialist."—The S.P.G.B. does not suggest that the workers should passively accept whatever the capitalists seek to impose, without attempt at resistance through their trade unions or otherwise. (See pamphlet: "The S.P.G.B. and Questions of the Day," and "S.S. for September, 1932, front page.)

You do not give the number of the page to which you refer in Beer's "Life and Teaching of K. Marx." In any event the policy of independent working-class political organisation does not imply minority action. The working class are a majority of the population in the advanced capitalist countries.

The question of the contrast between the actions of the Paris Communards and the actions of the Bolsheviks was dealt with in the "S.S." for June and September, 1932.

We agree that the Soviet form of organisation is not an advance on the Parliamentary form, but is decidedly a more backward and less democratic form.

The S.P.G.B. does support trade union action. We take the same position as that explained by Marx in "Value, Price and Profit." See our pamphlet, "The S.P.G.B. and Questions of the Day."

The references to Rosa Luxemburg are too short to enable us to understand what the writer is driving at. It is, however, true that she, as well as Lenin and other Bolsheviks, continued to support the Second International right up to the outbreak of war in 1914. The S.P.G.B. had left it and denounced it many years earlier.

ED. COMM.

James Johnson, Lerwick.—For answers to questions 1 and 2 and 3, see pamphlets, "Socialism" and "The S.P.G.B. and Questions of the Day."

With regard to questions 3 and 4, there will be no need for any financial system under Socialism. The power possessed now by the capitalists (including the financial capitalists) exists by virtue of their control of the political machinery and the armed forces. When that control is taken from them, their power will have ceased to exist.

Socialism involves the abolition of the system of wage-labour, along with the rest of capitalism. Goods will be produced for use, not for sale, and will be freely distributed.

Question 5. There will be no system of rent for land or houses.

ED. COMM.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand at 8, Whitehall Buildings, Upper Queen Street, Auckland, where the SOCIALIST STANDARD is obtainable.

* * * * *

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to H. Solly, 2, Winthrop Street, Brady Street, E.1.

BIRKENHEAD.—Secretary, H. Dawson, 58, Willmer Road, Birkenhead. Branch meets every Thursday 7.30 p.m., at 36, Claughton Road. Lecture and discussion after branch business. Non-members invited.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 289, Gray's Inn Road, W.C.1. Branch meets at above every Thursday, at 7.30 p.m.

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Communications to Sec., at 396, Heathway, Dagenham, Essex. Branch meets Pettits' Farm, Heathway, every other Tuesday (commencing 7th March).

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Thursday, at 7.30 p.m., at Limehouse Library (Committee Room) Commercial Road, E.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., at 15, Barclay Place.

GATESHEAD.—Secretary, Edmund Howarth, 12, Egremont Drive, Sheriff Hill, Gateshead, where branch meets every Tuesday, 7.30 p.m. Discussion after branch business.

GLASGOW.—Branch meets 2nd and 4th Fridays in month, 8 p.m., at 60, Fisher Street, Dennistoun, Glasgow, E.1. Sec. W. Law, at above address.

HACKNEY.—Branch meets Tuesday, at 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Wetherby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 7 p.m.—10.30, 2nd and 4th Fridays in month, at 447, Harrow Road, W. 10. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., J. Rodgers, 136, Rockingham Lane. Branch meets alternate Mondays, 7.30 p.m. at 162, Ellesmere Road. Non-members invited.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover Street, S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest Street, E.1. Branch meets on Fridays at Whitechapel Library, 8 p.m.

TOOTING.—Branch meets alternate Tuesdays at 8 p.m., Springfield Social Club, Garrat Lane, Tooting, opposite Burntwood Lane. Sec., J. Keable, 15, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month. 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WALTHAMSTOW.—Sec., S. E. Williams, 64, Bloxhall Road, Leyton, E.10. Branch meets at Workmen's Hall, High Street, 2nd and 4th Mondays each month.

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain
HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutoocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

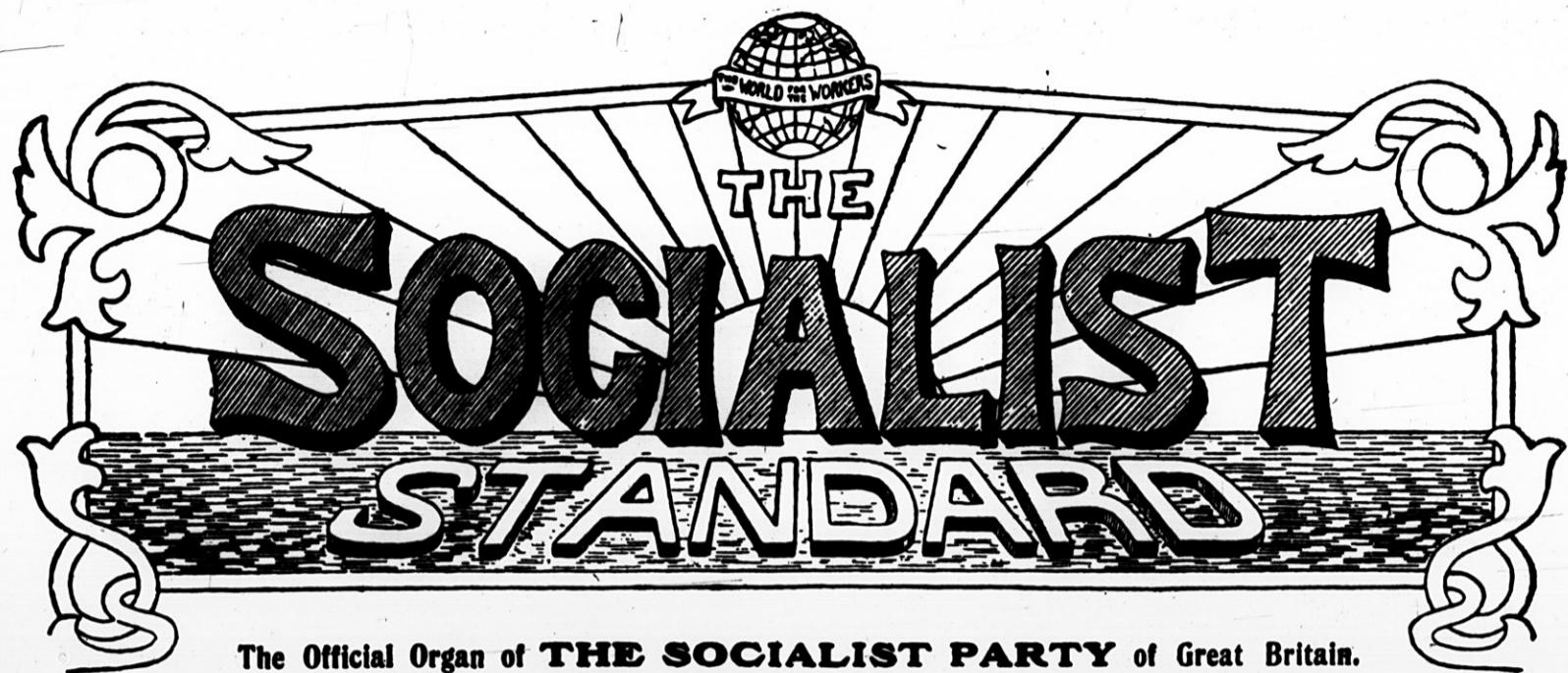
Branch Directory—continued.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 30, Rosebank Avenue, Sudbury Hill.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

No. 344. VOL. 29]

LONDON, APRIL, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

THE MEANING OF CLASS CONSCIOUSNESS	113	THE SOCIALIST FORUM	122
NOTES ON INDUSTRY	115	THE PASSING OF EDUARD BERNSTEIN	123
THE USE OF TRADE UNIONS AND STRIKES	117	HARD TIMES IN THE PEERAGE	124
NOTICES OF MEETINGS AND LECTURES	119	"LEST WE FORGET"	125
THE RISE OF HITLER	120	HERE AND THERE	126
THE GERMAN COMMUNIST PARTY	122	BRANCH DIRECTORY	128

The Meaning of Class Consciousness

What does the Socialist mean when he claims to be "class-conscious"? Class is one, the most important, of the social groups into which human beings tend to be divided by the mutual association of individuals with like interests. It is the most important of these groups because the common interest involved is the primary one of bread and butter. The class structure of society rises immediately out of the prevailing mode of production and distribution: and in general every individual must belong to one or other of the classes existing at a given period, though he may belong to comparatively few of the sets and circles which serve his secondary activities.

From this standpoint, class-consciousness is thus one kind of "group-consciousness," about which many academic sociologists have offered various confused and unsound views. Particularly during the eighteenth and nineteenth centuries, when the capitalist class rose to political supremacy, the "Nation-State" was exalted to the skies by political and social writers who spoke of the "spirit of the people," of the "will of the nation," of the "group mind," as something which had real existence over and above the brain-boxes of the individuals brought together in the group. Much as the ancients conceived the sky

as an inverted bowl fixed over the earth, so Hegel's "Absolute Spirit of the Universe" became for him incarnate in the kingly representative of the Nation-State—thus moulding to capitalist needs the idea of the divinity of the sovereign power which is inevitably generated in every society divided into classes, into exploiter and exploited.

To the Socialist, the "mind" of a group is but a mental abstraction of the common features of thought of the individuals belonging to it, by reason of their like reaction to like conditions. Another word for the thoughts and feelings which constitute the common mind of Socialists, or to a less degree of the capitalist class, is class-consciousness.

Notice that we do not say "of the working class": for the principal element in class-consciousness, the recognition of a paramount class interest opposed to the interest of another class, is not a common feature of the minds of the workers as a whole. On the one hand sectional differences still loom largely in their minds; and on the other hand, consequently, they are all too easily beguiled into believing that they have some common interest (of "nationality" or trade, for instance) with their masters, the capitalist class.

The workers still tend to be split by differences of occupation, by slight differences of dress, or speech or education, unable to see the working-class wood for the trees, because they have not thoroughly grasped the common economic bondage of all who have to sell their energies for bread, that unemployed labourer and "disengaged" expert are alike under the necessity to beg for a job from a master.

Nor does the capitalist openly recognise that his interests are opposed to those of the workers. He is, indeed, anxious to impress upon the worker that they have a common interest in the running of the nation. It goes without saying, however, that this "community of interests" lasts for the capitalist only so long as the workers are content to accept the economic status of wage-slaves, and to maintain the master class in their privileged position as owners of the means of living. The class-consciousness of the capitalist is thus little more than an instinctive conviction that existing conditions are best—the natural conviction of a dominant class, in contrast with the class-consciousness of a subject and revolting class, which tends to be altogether more virile of thought in proportion as it questions the validity of current ideas and institutions, in proportion as it becomes revolutionary.

The class struggles of society, because they grow out of its economic foundations, work themselves out, as more or less blind trial and error adjustments of conflicting interests, whether or not the participants in a struggle realise its historical meaning as a social process having a necessary origin and a necessary outcome. And it is the peculiar feature of capitalism that it generates in the workers just that historical perspective which other classes have lacked. Forced to question the beneficence of the existing order, and the need for its continuance, by the pressure of unrelieved want and anxiety which the defenders of capitalism can neither remedy nor explain, armed with the scientific knowledge which is one of capitalism's essential products, the working class has in addition the lessons of all other class struggles to learn from. Because the working class is the last class needing emancipation, because the struggle between capitalist and worker is the last of all class struggles, capitalism only can provide the historical material for an analysis of all class struggles, of class in general.

It is this historical attitude, this scientific analysis of the past used to illuminate the present class struggle, which constitutes the essential core of the class-consciousness of Socialists.

The Socialist is simply the worker who has become class-conscious, and who organises with his fellows who are like-minded. But if the numerical strength of the world's Socialist Parties is thus a measure of the number of workers who

have achieved mental emancipation, it is by no means the exact measure of capitalism's remaining days. Elements of class-consciousness are present in the minds of large numbers of workers who are still confused and unclear. In any large gathering of workers, such as the recent unemployed demonstration in Hyde Park, there can be seen writ large on the faces around a grim antagonism to some dimly conceived enemy, a half articulate knowledge of a conflict which knows no reconciliation, a muddled but profound resentment against the mounted representatives of capitalist law and order who ride ruthless through their unarmed fellows. These vague feelings of solidarity with the "poor" against the "rich," so long as they remain uncrystallised by Socialist principles into clear-cut class-consciousness, readily lend themselves to exploitation by the numerous brood of Communist and Labour leaders, and indeed by every politician who is in opposition to the Government. The reformist Labour and Communist parties are no less parasitical in the political field than is the capitalist in the field of production. These "leaders of the masses" suck up the discontent of the workers, leaving them politically anaemic and helpless. They feed upon the mass emotionalism which, uninformed by sound knowledge, degenerates into hooliganism and hysteria. The Communist Party attempts to reconcile its reformist activities with its revolutionary pretensions by the tragic-comical plea that the way to generate in the workers a revolutionary Socialist outlook is to concentrate on immediate reforms of capitalism. The "tactical" value of going out for particular reforms is recognised no less by the capitalist than by the Communist Party. For such activities divert the workers from the main issue, befog their minds, pit one section of workers against another, and all too often turn their political energy and enthusiasm into exhaustion and despair.

It is only the Socialist, the class-conscious worker who has analysed his class position for himself in its historical setting, who is at once independent of leaders and proof against their entire stock-in-trade of sentimentalism and reformism. It is he alone who cannot be sold, because he has no need to put himself in pawn. It is he alone who realises that the defensive struggle to resist the encroachments of the capitalist class upon the workers' standard of living is essentially subordinate to the aggressive policy of dispossessing the capitalist class at their political seat of power.

The function of the class-conscious worker, organised in the Socialist Party of Great Britain, is to fertilise the discontent of his fellow workers with this knowledge, which alone has power to make the master class tremble. It is in this sense that the formation of the Socialist Party of Great

Britain, and comrade parties abroad, their steady growth in numbers and activity in the face of every obstacle, is the vindication of the Marxian prediction: "What capitalism produces above all are its own gravediggers. Its fall and the victory of the proletariat are alike inevitable."

F. EVANS.

Notes on Industry

Profits in the Depression

As is to be expected, the average rate of profit has fallen during the "crisis" years since 1929. A minority of firms have made little or no profit or have suffered a loss. Most firms have made profit, although not at the rate of the earlier period. Some firms have prospered exceedingly out of the general depression.

The following table shows the up and down movement of profits since 1909. It is compiled by the "Economist" and relates (as regards the more recent years) to about 2,000 typical companies. In each case the figures are based on profits and losses declared during the 12 months from January 1st to December 31st. The figure for 1932, 5.9 per cent. on ordinary shares, shows that the investors are still doing quite comfortably:

PROFITS AND DIVIDENDS

	Ratio of Profits to Pref. & Ord. Capital	Average Dividend on Preference Capital	Average Dividend on Ordinary Capital
1909	7.4	4.3	6.3
1910	8.2	4.5	7.0
1911	9.9	4.9	8.5
1912	10.2	5.2	8.5
1913	11.7	5.1	10.2
1920	15.2	5.0	12.6
1921	10.3	5.2	10.2
1922	7.0	5.2	8.4
1923	9.8	5.3	9.3
1924	10.3	5.4	9.8
1925	10.9	5.5	10.3
1926	11.3	5.4	11.1
1927	10.5	5.3	10.8
1928	11.1	5.4	10.6
1929	10.5	5.5	10.5
1930	9.8	5.7	9.5
1931	7.2	5.2	7.2
1932	5.8	4.2	5.9

("The Economist: Commercial History and Review of 1932," February 18th, 1932.)

The Prudent Pru

Some companies have managed to do extraordinarily well. Woolworth's paid 70 per cent. this year and held a dinner to celebrate it. Other companies in a comparable position have been more

reticent. The Prudential Assurance Co., Ltd., have just declared a dividend of 37½ per cent. tax free on their "B" shares. The original shareholder paid 4s. for these shares, and can now sell at about 55s. The "A" shares are even more interesting. Starting with 40 per cent. tax free in 1919 the dividend rose steadily year by year until it reached 94½ per cent. in 1928 and 1929. Then came the slump and the dividend fell to 91½ per cent. in 1930 and 1931, and right down to 84½ per cent. in 1932. But hard times cannot last for ever, and this year the shareholders were able to pick up again with 92 per cent. tax free plus a special bonus of 7½ per cent. These shares cost originally £1, and now stand at about £26. Another insurance company, the Pearl Assurance Co., Ltd., paid a modest 50 per cent. tax free for 1932.

The *Daily Telegraph* (January 6th, 1933) reported the Advertising Association Research and Publicity Department as authority for the statement that 80 firms which are prominent users of advertisement showed average profits exceeding 38 per cent. on their ordinary shares in 1932. This figure is, however, probably inflated by the inclusion of a few firms which paid a very high rate of profit.

Then Lewis's, Ltd., of Liverpool, paid 275 per cent. on their deferred ordinary shares, the same as last year. Half-a-dozen newspapers which reported on Lewis's profits and on the Prudential's profits managed to convey that they had done well without disclosing actually what the rates of dividend are.

As the Pru. advertises extensively in the Press, including the "Labour" and "Left-wing Labour" papers, the advertising revenue probably has what is known as a sweetening effect on the editors and their staffs. As a sub-editor on a well-known sensational weekly was heard to remark, "We are allowed to attack anyone and everyone—except our advertisers."

The Ebb and Flow of Unemployment

Owing to the scrappy way in which newspapers treat social questions, it is not easy for the reader who has no other sources of information to get a full and clear view of what is going on even when the question is one which is always being written about, e.g., unemployment.

A very common misconception is that unemployment, owing to the displacement of workers by machines and to other factors, has been steadily growing since the end of the war. This view is particularly popular with those who hold that the present crisis is essentially different from pre-war crises, and that capitalism will never recover from it. Actually the changes in the numbers of unemployed have followed the same kind of course as in pre-war crises.

The years since 1918 can be divided into a number of well-defined periods.

In 1919 and 1920 there was some "demobilisation" unemployment, followed by a period in 1920, when unemployment was at a very low level, lower than in the years before the war.

Then, in 1921, came the sudden crisis which sent unemployment up to the 2½ million level.

During 1922 and 1923 unemployment declined to a level of about 10 per cent. or 11 per cent.

From 1923 to 1929 (apart from a short period in 1926 due to the General Strike) unemployment was not increasing, but remaining fairly stable at about 10 per cent. or 1,100,000. Actually, in July, 1929, there was less unemployment than in July, 1923, in spite of a very big increase in the total number of insured workers. In other words, there were many more workers in work than there were six years earlier.

The years 1923 to 1929, which newspapers at the time habitually referred to as years of "depression," were, in fact, years of expanding production and trade, and increasing profits. Then, late in 1929, began the "crisis," with unemployment soaring up to 2½ or 3 millions, and a percentage (23 per cent.) only reached before for a short period in 1921.

The present "crisis" will eventually give place to a new period of expansion, but the fact that there were never fewer than 1,100,000 unemployed in the "boom" year 1929, shows what may be expected by the workers when prosperity returns for the capitalists. At its best, capitalism in England holds out little prospect of reducing unemployment much below 1 in 10 of the workers. That will be "normal" unemployment.

The Displacement of Workers

Closely linked up with the question of unemployment is the displacement of workers either by labour-saving machinery and methods, or by the rise of new industries and the decline of old ones. That process goes on steadily, but it does not mean (as the "Technocrats" have thought) that the number of workers employed gets steadily smaller. This can be illustrated from the course of events in this country during the years 1923 to 1932, about which the Ministry of Labour has made a special inquiry. (See *Labour Gazette*, November and December, 1932.)

In the first place the total population of the United Kingdom increased by 1,800,000 during those nine years, and the number of insured workers, aged 16 to 64, increased by about 15 per cent., or 1,670,000; from 11,140,000 in 1923, to 12,810,000 in 1932.

The next thing to notice is that in July, 1929, the year of maximum production just before the crisis, the number of insured workers actually in work was more than 10 per cent. greater than it was six years earlier, and it had been increas-

ing more or less steadily in the intervening years. So that, in spite of machinery and the decline of certain big industries, there were 11 men and women actually in work, in 1929, for every 10 who were working in 1923.

How can this be explained? Some facts and figures will make the position clear.

Between 1923 and 1932 a number of industries were declining or were installing labour-saving machinery, or both, and consequently the number of workers employed was being reduced. Nearly 300,000 men were pushed out of coal mining between 1923 and 1929, and another 300,000 by 1932.

The number of non-permanent workers on the railways decreased by 60,000 in nine years, and insured workers in Government employment decreased by 46,000. Including the miners, there were about 400,000 fewer workers actually at work in the declining industries in 1929 than in 1923, and a further decline of about 1,000,000 due to the crisis between 1929 and 1932.

But while these industries were reducing their number of workers, the expanding industries were taking on far more men up to 1929 than were being displaced elsewhere. While mining was shrinking, electrical generation and the manufacture of electrical machinery was rapidly growing. Artificial silk was replacing cotton. Motor transport was replacing railway transport. While the staffs of the Central Government were being reduced, the Local Authorities were taking on more men.

Dividing all industries and transport services into the declining group and the expanding group, we find that while the declining group got rid of about 400,000 workers between 1923 and 1929, the expanding group of industries and services increased the number of workers actually in their employment by 1,400,000—a net increase of 1,000,000 for insured trades as a whole.

Since 1929 the crisis has thrown another one million men out of employment in the declining trades, but the expanding group have still managed to increase, although only very slowly. As remarked above, for the whole group of insured trades, the number in work in 1932 and now is still about the same as in 1923, in spite of the heavy fall in employment since 1929, and, after making all due allowance for any increase since 1923 in the number of unemployed not on the register.

It is interesting to notice that while mining and many manufacturing trades have been badly hit, the distributive trades have increased enormously, from 1,100,000 workers in 1923, to 1,700,000 in 1932.

The National Income

Mr. Colin Clarke, M.A., has made estimates of the amount and distribution of the National

Income in the years 1924—1931. ("The National Income." Pub. MacMillan, 1932. 8s. 6d.)

He shows (p. 72) that the National Income (including net income from Overseas) increased from £3,586 millions in 1924, to £4,006 millions in 1929, these being years of expanding production and trade.

He estimates that the wage earners receive about two-fifths of the total national income (39.9 per cent. in 1929).

On the assumption that the average family consists of, roughly, man, wife and two children, he estimates that the national income, if equally divided, would have been sufficient in 1929 to provide £349 per family, or £6 14s. per week. (P. 78.) If an amount were deducted to provide for the existing rate of new capital, and excluding income from overseas, the figure would be about £310 per family in 1929, or just under £6 a week.

H.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

War and Socialism

Do you know why modern wars occur?

Do you know what is the Socialist attitude towards war?

Do you know why Socialists are not Pacifists?

Do you know that the S.P.G.B. was the only political organisation in Great Britain which proclaimed its Socialist opposition to the Great War immediately it broke out and kept to that attitude throughout the War?

Do you know what attitude you as a worker should take up towards war?

For answers to these and other questions read
"THE S.P.G.B. AND QUESTIONS
OF THE DAY."

80 pages for 3d. Post free 4d.

The Use of Trade Unions and Strikes

A correspondent raises the question of the usefulness of strike action. As the letter is rather long and deals with other matters not directly concerned with the main point, we have omitted certain passages condemning the Communist advocacy of armed revolt, and the notion held in certain quarters that capitalist wars should be supported because, so it is argued, they hasten economic development and encourage the growth of the Socialist movement. The letter then continues:

But precisely the same or similar arguments go to show that the strike is a weapon only advocated by anti-socialist elements of society. The argument usually put forward is that since wages are determined by the socially necessary time required to reproduce labour-power at the moral and historical standards of a particular epoch, there is a minimum level to which this tends under the pressure of the exploiting class. But wages are not the value of labour-power, but the price of labour-power, that price being regulated by conditions of supply and demand. Thus, say the strikers, by temporarily withholding supply, we are able to resist the encroachments of our masters.

This reasoning is false. The practical results of strikes prove it to be utterly untrue.

The price of labour-power, like all other prices, is not determined until the buyers face the sellers on the market. Moreover, the price even then is not fixed until the actual transaction takes place. Does the strike give the workers greater bargaining power than they would have had without it? The answer is "No."

Until the workers strike they face the masters as an organised number of unions. They can hold their organisation intact by their economic power (the sum total of their subscriptions, and the discipline wielded within the union upon the members). Faced with the competition of the vast unemployed army, they have certain advantages in the form of sick benefit, pension, and other schemes which give them a certain extra bargaining power as long as they do not strike. As soon as a strike takes place, they lose those advantages. Their funds are depleted, the masters having far greater resources. A cunning compromise is usually the result of the strike, that compromise generally working in the favour of the masters because of the ineptitude of the average trade union leader. The unions go back to work, half-starved and without any financial backing. Then comes the real struggle. Now that they are thoroughly whipped by the strain of the strike, the masters insidiously undermine all the silly little concessions which they thought they had gained, and within a few months the unions are back in their original position, except for the fact that they are now thoroughly demoralised and consequently less capable of thinking clearly on the real issues of the class struggle. Apart from all that, sectional frictions and the dead weight of the unemployed beat them every time. It is useless to argue that it hastens development, this strike business. Of course, it does, but that is no reason for a socialist to advise the workers to cut their own throats in the interests of historical development. That were merely suicidal insanity. I think that the socialist must look for some other weapon on the economic field. That weapon is Socialism. The only strike that could be successful would be a strike on the part of the majority of the workers, class-conscious and determined, but such a majority would have long since relegated the economic struggle to the background in their mighty fight for political control of armed force.

I am not arguing against ca-canny as a weapon. That is in a different category. But I think that

there is some reason in the idea that to advocate strikes as an economic weapon is anti-socialist.

It seems apparent that the most important factor in the struggle for wages is not the bargaining power of an unconscious, unco-ordinated, uneducated class such as ours is, but the necessities of capitalist production. When the wages of our class fall below the historical and moral standard of comfort, output falls with it, and capitalism has to rectify it. I don't think we ever will get wages far above or far below that level. Certainly the strike will not help us.

Yours truly,
"BARI."

Reply.

In order to remove any possible misunderstanding let us first make clear why the S.P.G.B. supports trade union organisation and strike action. It is not because these are the road to Socialism: they are not and cannot be that. The only road is the conquest of political power by a politically organised Socialist majority. The case for organising in trade unions is that the conditions of working-class life and labour could and would be worsened if no organised resistance were offered to the downward pressure of the employers. Failure to make this organised resistance would, in addition, make Socialist propaganda and organisation even more difficult than it is now, for these are not helped, but hindered, by a lowered standard of living and a condition of disorganisation among the workers.

The argument of our correspondent is faulty in several respects. In the first place the value of trade union organisation does not consist solely in the number of strikes that can be brought about. The very existence of the trade union (with the weapon of the strike, or *ca'canny*, to be used in the last resort) is itself a factor which influences negotiations about the level of wages, just in the same way that the existence of armed forces is a factor in the negotiations between governments, even although in most cases war is not resorted to, but only threatened. When the employers in an industry contemplate an attack on wages or conditions of employment, they take into consideration the possibility of a strike and the expense they will suffer by it. If the expense appears too great for the gain anticipated they will not push the claim to the extremity. One of the "expenses" they consider is making their employees disgruntled. They know quite well that disgruntled workers do not make for high output. For this reason, even when workers have been beaten in a strike, the employers sometimes prefer not to reap all the fruits of victory. Hence, the strike emphatically does give the workers greater bargaining power than they would have without it. The process is by no means the mechanical thing our correspondent appears to think it is. Even if the workers were beaten in every strike (and they are not) it would still be true that the strike is not futile as an economic defensive weapon.

Unless the condition of the market at any

given time is such that the employers would welcome a stoppage of work, there is usually some margin about which they are prepared to bargain. If there is in existence an organised body of workers, able to bring about a strike, the employers will make some concession (an increase in wages or the abatement of part of a decrease) in order to avoid the strike. One factor in negotiation is, of course, the ability of the respective sides to weigh up the strength of the other side. If either side underestimates the strength of the other there will be a strike or a lock-out. On the workers' side there is a fairly narrow limit to such a war of starvation, but even then it often does not pay the employer to have his works held up for so long. So that in fact strikes do in many cases result in some gain for the workers, and lock-outs do sometimes end in the employers withdrawing all or part of their demands.

A second error in our correspondent's argument is the implication that there is a fixed "historical and moral standard of comfort" of the working class and that if they are forced below this standard their output falls and the employers then have to raise wages again for their own benefit and without any effort by the workers.

It is true that output would fall if the workers were forced below a bare physical minimum of subsistence, but in the main workers who are in work are above that standard. They could therefore have their standard of comfort reduced without being forced below the bare minimum of subsistence.

It may also be true that a lowering of the historical standard of living would, for a while, result in less capable work, but it has yet to be proved that the workers in a given industry would not get used to the lower standard and ultimately provide work of the same class as formerly, assuming they were not actuated by the spirit of resistance. The English employers during the 19th century were considerably helped by the emigration of large numbers of active and dissatisfied workers.

Expressed in terms of purchasing power, the English workers' standard of living is considerably higher than that of workers in certain other countries and considerably higher than it was in England, say, eighty years ago. Part of the rise in the English workers' standard of living between 1850 and 1900 may be explained by changes in the technique and methods of industry, but another part can only be explained by the organised efforts of the workers to improve their conditions.

It is quite true that the employer who pays a higher wage will be induced to maintain his profits by reducing his total wages bill in other ways—for example, by introducing more labour-saving machinery. Consequently the effort to raise wages, shorten hours, and improve working con-

ditions are themselves factors which influence the development of industry. However, this does not mean that the efforts are not fruitful from the working class standpoint. It is unquestionably better to be exploited at a higher wage in a modern factory than it was to be exploited at a lower wage in a less efficient factory fifty or one hundred years ago. But for the standards won and maintained by organisation and strikes the workers would be exploited under worse conditions and at a lower wage than actually exist.

One reason for under-estimating the value of trade union organisation since the war is that the heavy fall in prices has been overlooked. When prices are rising a strike for, say, 5s. will appear to be a victory for the workers if they get 2s. 6d., even although this may be insufficient to compensate for the increased cost of living.

When prices are falling, as they have been since 1920, the opposite error is often made. If employers demand a 5s. decrease in wages, and the workers can get this reduced to 2s. 6d., it may in fact be a victory for the workers if the fall in wages is less than the fall in prices.

Actually the whole tendency since 1926 has been for the purchasing power of full-time rates of wages to rise, owing to the fact that prices have been falling faster than wages. Although the so-called General Strike of 1926 was a failure in its immediate purpose, it probably had a very considerable effect in warning off the employers in the big industries from lightly entering on lock-outs to enforce reductions.

It is beyond dispute that had there been no trade union organisation the employers would have taken far greater advantage of the crisis to depress wages than in fact they have been able to do.

ED. COMM.

The 29th Annual PARTY CONFERENCE

will be held on

Friday and Saturday, April 14th and 15th

at

FAIRFAX HALL,

STANHOPE GARDENS, HARRINGAY, N.
(1d. Bus or Tram from Finsbury Park Underground Station)

Commence at 10 a.m.

OPEN TO ALL

The Annual PARTY RE-UNION

will take place in the above Hall on

Good Friday, April 14th, at 7.30 p.m.

Doors open 7 p.m.

Tickets from any Branch Secretary, or from Mrs. N. Butler,
4, Cupar Road, Battersea, S.W.11, or Head Office,
Price 1/- each
(Enclose 1d. Postage with each order)

Notices of Meetings & Lectures

All Meetings and Lectures are open to Non-members.
Admission Free. Questions and Discussion.

HEAD OFFICE Sundays 8 p.m.

April 2nd	"Socialism and Economics."
	S. Johnson.
April 9th	"Is Socialism Worth Fighting For?"
	S. Cash.
April 16th	"Obtaining Power: Past and Present."
	Sandy.
April 23rd	"Socialism and Unemployment."
	G. Bellingham.
April 30th	"Socialism and the Douglas Theory."
	E. Hardy.

TOTTENHAM Sunday, 2nd April

A Meeting will be held at	
CENTRAL LECTURE HALL,	
Tottenham Library, High Road.	
Subject	"Socialism and Unemployment."
	G. Bellingham.
	Commence 8 p.m.

LEYTON Sundays, 2nd, 16th and 30th April

GROVE HOUSE, High Road, Leyton.	
April 2nd	"Socialism and the Confusionist."
	E. Lake.
April 16th	"Who Owns Industry?"
	E. Hardy.
April 30th	"Failure of Labourism."
	S. Rubins.
	Commence 7.30 p.m.

HOW TO GET TO HEAD OFFICE

Great Dover Street is a turning out of Borough High Street, near Borough (Underground) Station. The station is on the line from Morden to Hampstead and Highgate, and lies between the Bank Station and Elephant and Castle.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The Socialist Standard



APRIL,

1933

The Rise of Hitler

A Warning to the Workers

The rise of Hitler to power in Germany is an event which the workers of all countries should study with care. It is not an isolated phenomenon, but part of a world-wide overflowing of discontent. It is not a coincidence that the three years since the oncoming of the crisis late in 1929 have witnessed the abrupt and sometimes violent overthrow of governments in different parts of the capitalist world. "National" Governments in the United Kingdom and many of the British Dominions; the advent of De Valera in the Irish Free State; the colossal defeat of "Prosperity" Hoover in the U.S.A.; repeated cabinet crises in France; political revolutions and counter-revolutions in South America; the Republic in Spain; political crises in Scandinavia; expulsions of leaders and reversals of policy in Russia; no country has escaped the economic consequences of a capitalist world which is seriously out of joint. Each country has witnessed the consequent political stresses and strains of new discontents, and new slogans, which had generally brought about new political groupings and new figure-heads. The universal insurgency expresses itself in different ways according to the traditions, experience and constitutions of the various countries. A century ago such economic crises brought to a head deep underlying social conflicts and produced the revolutions of '30 and '48, with their violent overthrow of kings and absolutist constitutions. Nowadays the more advanced countries have developed systems which permit easier adjustment to new pressures, avoiding the disturbance and expense of the appeal to violence. Countries which have not

travelled so far along the road of capitalist democratic government still resort to the old method of the bomb, the rifle, and the machine gun, the mass demonstration, the barricade, and the organisation of insurrection in the armed forces. In a broad way the cause and the effect are the same everywhere. Everywhere capitalist private ownership reigns. Everywhere the rulers must serve the interests of the capitalist class, but everywhere it is an over-riding condition of social life that the rulers cannot ignore the active discontent of the mass of the population. The discontent, even the open rebellion, of individuals and minorities can be bludgeoned into acquiescence, but when great masses of the population are driven by intolerable conditions into organising for common action then the rulers must sooner or later provide a safety valve; placate the movement or find means of dividing it; turn it into new directions or harness it directly to the capitalist state. In no other way can capitalism maintain itself.

Long before the war the British ruling class learned how to incorporate radical politicians and labour leaders in the parties of capitalism. The German capitalists in 1918 jettisoned the Kaiser for a similar end. Fifty per cent. of the German voters had registered their disillusionment and war-weariness by voting for the reform programme of the Social Democratic Party. German capitalism thereupon "digested" the S.D.P. and watched it stabilise German capitalism in the troubled post-war years. The military and civil associates of the Imperial Kaiser humbled themselves to the "upstart" labour leaders because they had to have someone who could control the workers and keep them loyal to the fundamentals of capitalism. So for fourteen years the Social Democrats, either in coalitions or in "friendly opposition," worked out their policy of bargaining for reforms as price of their support. The outcome was inevitable. They have shared the fate that has always overtaken "Labour" politicians and parties when they accept responsibility for the administration of capitalism. Discontent with the effects of capitalism cannot for ever be stifled by Labour promises of better times or apologetic assurances that things might be worse. The membership and influence of the German S.D.P. declined year by year until it has shrunk to a third of its former size. Part of the loss was picked up by the Communist Party, but in the meantime a new group has arisen, led by Hitler. At the election on March 5th he received 17,266,000 votes (43.9 per cent.) and his allies, the Nationalists, received 3,132,000 (8 per cent.), giving him a clear majority. The Social Democrats received 7,176,000 (18.3 per cent.) and the Communists 4,845,000 (12.1 per cent.).

In one important respect Hitler's Nazis are just like the Social Democrats and the Commu-

nists; they are all parties of discontent. Hitler promises work for the workless; secure government jobs in the police, the Army or the Civil Service for 100,000 of his members; higher prices for agricultural products to help the peasants; and protection for the small investor and little shopkeeper squeezed by the big stores and the banks.

Immediately on taking office Hitler imposed fresh taxes on the big departmental stores and chain stores with the professed object of helping the small shopkeepers. He promised also to find posts for out-of-work professional men (doctors, lawyers and others), and it is because a relatively large number of bankers, proprietors of big stores and the more successful professional men are Jews that the party has taken on a violently anti-Jewish character. Every Jewish doctor driven out of practice, every Jewish lawyer barred from the courts, every Jewish schoolmaster and civil servant dismissed, makes another vacancy for one of his members. He was supplied with funds by German heavy industry, by armament manufacturers both in Germany and in France, and by American and other business men and financiers who had investments in Germany for which they needed protection. With the help of these funds Hitler's party has known how to rally all kinds of discontent into a great movement representing half the electorate of Germany. Therefore Hitler has had to be "digested" as fourteen years ago were the Social Democrats. The stately and imperious Hindenburg and the aristocratic von Papen, representing the military caste and big landowners, have had to receive on terms of equality the Austrian house-painter Adolf Hitler. Dr. Hugenberg and the Nationalist Party, representing big industrial capitalists, have had to enter into coalition with him. Hitler will now have to administer capitalism. He will have to curb the demands of his followers, disappoint them, and ultimately lose many of them to new political adventurers, whereupon the capitalists and landowners who now use him will scrap him and use his successor.

The great lesson to be learned from the decline of the Social Democrats is the sterility of the policy of reforms and of reform parties. The day on which a reform party reaches power is the day on which the evil effects of capitalism begin to sap and undermine the strength of the party, turning the members' blind loyalty first into bewilderment and then into dissatisfaction, causing them to drift into new parties.

The depths of mental bankruptcy of the reformists are shown by the comment of the Fabian *New Statesman* (London, March 11th, 1933). After explaining that Hitler scored because he appealed, with banners and uniforms and parades, to the electorate's love of glamour, the German correspondent of the *New Statesman* says that

the Social Democrats should have done the same, and should have given more prominence to pageantry and less prominence to social reforms. In other words, the workers are to be enticed, not even by the old plan of "bread and circuses," but by circuses without the bread! This is what forty years of Fabian reformism has brought to the working-class movement!

The second lesson is one which has been entirely missed by the Labour Press in Great Britain, that is the evidence given by the Hitler episode of the overwhelming importance of controlling the political machinery. Six months ago, although the largest party in Germany, Hitler was not in control of the German Parliament and the machinery of government. He was ridiculed and derided by the members of the Government, and insulted by President Hindenburg. His party officials were hauled into court on charges of treason, and thrown into prison. Others were forced to flee the country. His newspapers were suppressed, his offices were raided by the police, his troops were forbidden to parade or wear uniforms in the street. When they attempted defiance they were driven off just like the Communists.

Now, having become possessed of the political machine and confirmed in power by the electors, he is able to turn the tables on his former opponents. He has removed the Governments of all the States of Germany. Former Cabinet Ministers have been arrested, beaten and made to suffer many indignities. Newspapers have been suppressed and their offices raided—from Conservative Catholic newspapers at one end of the scale to Social Democratic and Communist newspapers at the other. The Communists, in spite of their 5,000,000 voters and their year-long boasting of their belief in "mass action" and military revolt, have been cowed into complete submission without offering any real resistance whatever. Events are proving to them what they refused to learn. The organised political majority which controls the political machinery of the modern State is in a position to dominate, and can enforce submission on minorities. There is no road to Socialism except through the control of the machinery of government by a politically organised majority of Socialists.

READERS IN THE UNITED STATES

Readers of the SOCIALIST STANDARD in the U.S.A. are invited to get into touch with the *Workers' Socialist Party* at the following addresses:—

Headquarters, 128, East 28th Street, New York City.
Local Boston, Mass., FRED JACOBS, Secretary, 118c, Warren Street, Roxbury, Mass.
Local Detroit, Mich., NILS AKERVALL, Secretary, 70, Ferry W., Detroit, Mich.
Local Los Angeles, Calif., HELEN DYER, Secretary, 3011, Tillie Street, Los Angeles, Calif.

The German Communist Party

A correspondent asks if the Communist Party of Germany represents a real revolutionary backing to the extent indicated by its vote of five millions. If not, what is the programme on which this vote is obtained.

The German Communist Party, like the Communist Party of Great Britain, is a party based in the main on discontent without any serious understanding of capitalism or Socialism. Because the German Social Democratic Party ever since the war has been associated with the Governments of Germany, discontent with capitalism has undermined the popularity of that party and built up the Communist Party and Hitler's Party. Although all three parties (including Hitler's Party) claim to be Socialist, none of them has tried to do more than to exploit every kind of discontent. Consequently, at all times, many items have been common to all three programmes. But beyond these common items each party has made its own particular appeal. The Communists have stressed their doctrine of street-fighting and armed uprising. Hitler has beaten the big drum of patriotism, and has exploited sentiments hostile to Jews, bankers and large-scale capitalism. The Social Democrats preached social reform, and appealed to anti-war sentiment and sympathy for internationalism and the League of Nations.

One consequence of the overlapping programmes of the three parties has been a large number of voters supporting now the one and then another. In the elections at the beginning of March, Hitler gained several million votes and the Communists lost nearly a million. The *Manchester Guardian*'s Berlin correspondent says that "a great proportion" of the votes lost by the Communists went over to Hitler. (*Manchester Guardian*, March 7th.)

The Times' Berlin correspondent (March 2nd) said that the "really organised Communists, infected by the Russian Communist religion, number, at most, a few hundred thousand." The millions who voted Communist were described by this correspondent as disgruntled Social Democrats, "unemployed rendered desperate by poverty and insufficient food," and "even petty bourgeois ruined by the inflation."

A pamphlet published by the British Communist Party ("What Next in Germany?"—August, 1932) gives a summary of the programme of the German Communist Party early in 1932:—

Already, some time before the elections, the Communist Party had issued its appeal for a United Anti-Fascist Front of the working-class with a programme which included: Resistance to all wage cuts and unemployment benefit cuts; for the extension of Social Insurance benefits; for the provision of funds to give work to the unemployed; for the reduction of hours to 40 per week with no reduction in earnings. For the withdrawal of prohibition against all working-class organisations, meetings and demonstrations; for the

release of all class war prisoners; for the stoppage of all foreign debt payments and payments to the Hohenzollerns (the ex-Kaiser's family) and other German princes.

Already this appeal had begun to receive increasing support from the workers in the factories and trade unions.

It will be seen that the programme was composed entirely of reformist demands. One disgusting feature of German Communist propaganda has been the appeal to national hatred, in the form of the demand that the debt payments and reparations (paid by German capitalists to foreign capitalists) should cease. This appeal was in the forefront of Hitler's programme also, and with it the Communists knowingly fostered the illusion that not capitalism, but foreign debts, are the cause of the misery of the German workers. Even the German Social Democrats and the breakaway party, the German Socialist Workers' Party (which rejoined the S.D.P. at the end of February) protested against this Communist exploitation of ignorant nationalism, bound to play into the hands of Hitler.

ED. COMM.

The Socialist Forum

Socialism and Toleration

A correspondent asks the following question: Would the S.P.G.B. forbid religious instruction and close down the churches, as has been done by the Bolsheviks in Russia, in view of the fact that, even after revolution, a minority will probably still cling to superstition; or, on the other hand, would the Party adopt an attitude of toleration, relying upon the march of science and progress to eradicate religion?

Reply.

Although the Bolsheviks suppress their political opponents our correspondent is mistaken in saying that the Russian Government has closed down the churches. Subject to certain restrictions and disabilities religious worship is permitted in Russia and is fairly widely practised.

With regard to the main part of the question, of course, the Socialist majority after conquering political power, would not use that power for the needless and provocative purpose of suppressing the propagation of minority views, whether religious or political. The work of the S.P.G.B. is based on the fact that the Socialist case is sound and only needs to be understood by the majority of the workers for them to accept it. Our confidence in the correctness of our position rests on the only sure foundation, that is, that so far from trying to suppress criticism we permit and encourage our opponents (including religious opponents) to state their case on our platform. Ours is the only party in Great Britain which does this, and we can say with confidence that the movement built up in this way will never take refuge in the cowardly and in the long run unnecessary persecution of a religious or political minority.

ED. COMM.

Communism and Socialism.

Reply to C. L., Vancouver Island B.C.

Engels in his 1888 Preface to the "Communist Manifesto" explained why in 1847 Marx and he called their Manifesto "Communist" and not "Socialist." It was to distinguish the revolutionary working class movement from the middle-class utopian movement, which at that time called itself Socialist. Later on this method of distinguishing the two movements ceased to be necessary, and Marx and Engels habitually used the terms Socialist and Socialism to indicate what they had formerly indicated by the terms Communist and Communism.

The Third (Communist) International called itself by that name to distinguish itself from the Labour parties and their International. They now use the term "Socialism" to mean the stage of development which in their view is intermediate between the future Communism and the present mixture of State and private capitalism as it exists in Russia. Thus Leontyev in his "Towards a Classless Society" (Co-operative Publishing Society of Foreign Workers in the U.S.S.R., Moscow, 1932) writes:—

The classless socialist society which we must build during the second five year period, represents only the first, the lower phase of Communism.—(Page 25.)

When the Russian Communists want to indicate something approximating to what the S.P.G.B. defines as Socialism, they use the term Communism.

With regard to the withering away of the State, see January SOCIALIST STANDARD. ED. COMM.

* * * * *

Russia's Bondholders.

Reply to P. L., Poplar.

In addition to commercial credits obtained by the Russian Government abroad, and unofficially estimated at between £200 million and £300 million, the Russian Government has raised large sums at home to help finance the new industries. The total sum so obtained, according to information given in the *Moscow Daily News* (Weekly Edition, January 5th, 1933), has exceeded the original estimate of 6,000 million roubles (£600 million) and has reached a total of over £1,000 million. £800 million of this is held by the Government direct, and the remainder by Government industrial undertakings. The interest paid to the bondholders is in most cases at 10 per cent., or more; on some issues there is no interest, but in its place the chance of winning a big lottery prize. The *Moscow Daily News* states that the bondholders number 40 million persons, "the vast majority of whom are workers and collective farmers." No figures are given showing the extent to which a minority of wealthy individuals have large holdings. While the Russian Government is now trying to sell its bonds abroad it is certain that the major portion of the £1,000 million is held internally.

ED. COMM.

The Passing of Eduard Bernstein

The death (recently announced) in Germany of Eduard Bernstein recalls a life which spanned a period that saw rapid growth and development in working-class history.

He was born in 1850 of working-class parents. At the age of 22 he joined the Social Democratic Party of Germany, and eight years later became editor of the *Social Demokrat*, the official organ of the party. When Bismarck's anti-Socialist laws came into existence he had to leave Germany and for some years carried on his work as editor from Zurich, in Switzerland. In 1890 the anti-Socialist laws were withdrawn, but still Bernstein was not allowed to return to Germany. As a result he came to England, where he stayed for about 12 years until the ban was lifted.

During his stay in England Bernstein published writings, notably "Evolutionary Socialism," which afterwards came to be described and known as "Revisionism." He held that Marx's theories had to be modified on the grounds that capitalism had not developed along the lines that Marx had anticipated. He held, for example, that the middle-class and the capitalist-class were not decreasing in numbers, but were increasing both in numbers and in the amount of wealth that they owned; that the theory of the recurring cycle of industrial crises was wrong. Bernstein produced statistics, based on income-tax returns, to show that at one period there were more millionaires than at a slightly earlier period: and this, he claimed, was a flat contradiction of the theory that wealth was becoming concentrated into fewer and fewer hands! What he seemed unable to grasp was that in a period of rapid capitalist expansion the capitalist-class could increase in number and wealth without affecting the concentration of wealth into fewer hands. Nor did he connect the fact of an increase in the number of millionaires with a possible decrease in the number of smaller capitalists. Similarly, what he mistook for a middle-class growing in numbers and security was a growing army of relatively well-paid salaried workers and officials who were brought into existence by capitalist development. Bernstein's "Revisionism" was in the first place due to his failure to interpret modern tendencies in the light of Marxian teachings; and, secondly, to the anti-Marxist influences of the British labour movement. He was lavish in his praise for the Fabian Society—particularly Mr. and Mrs. Webb—and the "I.L.P.," and held the "progressive reformism" of these organisations before the Social Democratic Party as being suitable for Germany. Like the I.L.P. in this country, he advocated compensation for the capitalists, and

stated that to expropriate the capitalist class without compensation was "robbery."

Bernstein's standpoint caused great consternation in the Social Democratic Party of Germany, and on his return debates on Revisionism took place at the party's conferences. He remained in the party, however, and gathered round him considerable support for his views. The acceptance of Bernstein's position by large numbers of German workers who professed an understanding of Marxist principles pointed to something more than the strong personal position that he held. It showed, above all else, the unsound and shaky foundation of the German Social Democratic Party. Though it had claimed to be Marxist, and through its leading members had published many sound theoretical expositions of Marx's writings, so little had this soundness been translated into policy that so far as concerned practical politics the differences between the "Marxist" and Revisionist sections of the party proved to be negligible. The one claimed to accept Marx; the other refuted him. Both sections, however, supported the policy of electioneering on a reformist and anti-Socialist programme. The result of this policy has justified condemnation of it. In 1919 the Social Democratic Party held power in Germany; but it was limited—by the millions of non-Socialist supporters who had voted it—in the extent to which it could interfere with the legally established property rights of the German capitalist-class. It therefore had no alternative but to administer capitalism. In consequence many German workers learned that capitalism is still capitalism no matter what Government administers it. To-day the German Social Democratic Party commands little more than a third of the votes it did in 1919. Moreover, its failure has damaged the progress of Socialism since the workers do not realise that the S.D.P. is not Socialist.

Bernstein opposed the War in 1914, while the so-called "Marxists" supported it. In taking up this attitude he found allies—temporarily—in such working-class champions as Karl Liebnecht and Rosa Luxemburg.

H. W.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand at 8, Whitehall Buildings, Upper Queen Street, Auckland, where the SOCIALIST STANDARD is obtainable.

* * * * *

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

Hard Times in the Peerage

Spare a tear for the Duke. Even Dukes have their worries. Remove the envious leer from your countenance for a moment and listen to the sordid tale of struggle and penury unfolded by the *Daily Express* (March 9th, 1933). How often is it said, one half the world does not know how the other half lives? What a debt we owe to the intrepid representative of that public-spirited journal, who dared everything, even the Hall Porter of the Savoy Hotel, that we might know—and understand. He found the Duke of Manchester struggling to put a bold face upon his poverty, in a luxurious suite of rooms, and absently smoking fat Turkish cigarettes "specially made to his order, with a coronet on the tip." Whilst his valet served whiskies and sodas he unfolded the heart-rending tale of his fifty-seven years of vicissitudes. "I have been so broke," he said, "at one time or another that I have only just been able to pay for my valet's meals. . . ."

Those of our readers who have been reduced to this extremity will know what it means and sympathise. However, dry your eyes, for you will be relieved to learn that his income "is sufficient, normally, to buy a couple of meals a day and to provide the reasonable comforts of life. . . ." We had better pause there, in the middle of his sentence, so that the continuation may be savoured in all its dire significance. Draw forth your handkerchiefs again and learn ". . . but it has been reduced by £50 a week on account of depression, and £50 a week is a considerable slice out of most people's incomes."

It is; it most emphatically is. Millions of hearts will throb responsively when they realise this great home-truth. The Duke, with a penetration as creditable as it is rare, has made a profound discovery. Fifty pounds a week, docked from your income, *does* make a difference. We cannot recall a single economist, publicist or statesman who has publicly called attention to this devastating fact. And why not? You will see that a duke is just as seriously affected as a plumber, or a baked-potato man.

The Duke of Manchester is a genius, doomed, unfortunately, to the fate that mankind has so often reserved for its greatest benefactors. Hitherto, genius has been left to die in garrets; now we let them eke out a precarious existence in a suite of rooms at the Savoy. What could this brain have done, if not doomed to a dukedom? The same thought has occurred to the Duke.

"My one regret in life is that I was never allowed to go into business when I was a boy. It was considered *infra dig* in those days for a duke to do anything of the sort. I never was able to go into business until I was forty-two years of age, otherwise I might have been in a much better position now."

"I go in for a little private business now. I can't say what it is. Of course, my name must not figure in the schemes, and I can't put any money into them, but I supply the ideas. I think my head is screwed on the right way, and I should have been sitting pretty if the depression had not come along. Why, even to-day, I have £270,000 tied up in commodities, but, for one reason and another, I can't touch a penny—not a penny."

Here is a story of human anguish. One can savour the bitterness behind that cry: "Not a penny"; behind that tale of thwarted ambition. Who can doubt that had fate been kinder the Duke, in business, would have been just as capable of introducing a ten per cent. cut as any great captain of industry. The hearts of all our unemployed, especially those who have appeared before the Public Assistance Committee, will warm to this engaging figure. One sees him condemned to occupy a luxurious suite in the Savoy Hotel, to smoke innumerable fat Turkish cigarettes, to drink incessant whiskies and sodas, to be attended by his faithful valet, and dream of the time when he was a young man.

"When I was a young man and I found I had not enough money to live as I liked, I used to go away on world cruises, spent next to nothing for eleven months of the year, and come home and spend nearly a full year's income in the other month."

Here the Duke, with prodigal generosity, seems to have given the world one of his great ideas. Why do not the unemployed utilise their enforced leisure in this way?

Mr. Chamberlain has cheered us all up by seeing no definite improvement ahead for the next ten years. Why not go for world cruises—so much advertised just now—and "spend next to nothing for eleven months"? All of us have "next to nothing," so there should be no difficulty on that score.

Quite a lovable creature, the Duke, don't you think? And so full of ideas. "Say I am a philosopher," he said to the newspaper man. How different from those misguided unemployed, who supply the newspapers with particulars of their domestic budgets, and complain of the difficulty of living on the "dole." It is safe to say that few of them have had their income reduced by £50 per week, and fewer still are philosophising in their own suites at the Savoy. Spare a tear for the Duke.

W. T. H.

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City (Room 7), where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

"Lest We Forget"

Mr. John Scanlon, an ex-shipyard worker, parliamentary journalist, secretary to a Cabinet Minister in the late Labour Governments, has written a book called "The Decline and Fall of The Labour Party." It deals with the Labour Governments of 1924 and 1929-31.

Here is shown the Labour Governments in action. Compromising on every issue, bargaining with their opponents, dropping nearly every principle for which they professed to have stood rather than be thrown out of office. Here are set out the full details of their shameful record. We are shown how easily they succumbed to the flattery of the wealthy. Trade Union M.P.s—ex-workers from the docks, railways, mines, etc.—took lessons in deportation, affected white spats, and touted for invitations to Mayfair parties. Attendance at social functions became more important than attendance at the House of Commons—except when a bill was introduced to legalise Sunday Cinemas, then they turned up in full strength in order to stop such a revolution. It is an account of demagogues turned autocrats, and reformers who became reactionaries; of "lefts" who were transformed into "rights" by the simple expedient of appointing them to ministerial positions. Flabby and ignorant sentimentalists, confused at what had happened to them, thought they saw a remedy in removing MacDonald from the leadership. That gentleman, however, when faced by hostile criticism, could, with a little pompous eloquence, bring his critics to their feet in applause and reduce some of them to tears. What a mob!

Mr. Scanlon disposes emphatically of the view that the failure of the Labour Party was due merely to the leadership of MacDonald, Thomas, and others. On the question of the cuts in unemployment pay, which was the issue on which the Labour Government fell, only seven members of the Cabinet, out of twenty or more, voted against the cuts. Moreover, after the fall of the Government, many Labour ministers hung around 10, Downing Street, hoping to get jobs in the National Cabinet. They were unlucky—hence the hostility towards MacDonald.

As a record of broken pledges, incompetence, petty jealousies, and intrigue among the leaders, this book is well worth reading. Members and supporters of the Labour Party, whose memories are so notoriously short, should buy it and keep it for reference.

H. W.

READ . . .

"WHY CAPITALISM WILL NOT COLLAPSE . . .

Our View of the Crisis.

16 Pages 1d.

Post free 1½d.)

Send for a copy.

Here and There

On Initiative

It is a commonplace argument of the apologists of capitalism that the possession of wealth is the reward for and the result of the initiative of its owners. Socialism, they argue, would destroy this initiative and progress would be impossible. Three reports in the *Daily Telegraph* for January 1st and January 2nd completely upset this claim.

It was stated that Professor Haldane, who was Professor of Bio-Chemistry at Cambridge University, was resigning his position to take up a position at the London University. Some remarkable facts were given of his career. It was stated that he had produced in his own body the condition of certain diseases in order to discover a remedy for them. In doing so he had knowingly and deliberately endangered his own life in order to increase the knowledge of science in the conquest of these diseases.

Yet he does not appear to have had any pecuniary advantage in view.

Another instance was given in an appreciative obituary notice of Dr. Alfred Smith. Dr. Smith was one of the eighteen pioneers of X-ray work. In devoting his life to X-ray research, he fell a victim to X-ray dermatitis. The consequences for Dr. Smith were the loss of a leg, semi-blindness, and physical ruin. Unable to practice in his profession, his life savings gone, he was rewarded with a disused army hut to live in, and 35s. a week from the Carnegie Hero Trust.

The *Daily Telegraph* also gave the names of twelve others who had lost their lives in the cause of X-ray.

The same newspaper reported the trial of J. Geen, the associate of Factor, the fraudulent company promoter, who had successfully displayed initiative in relieving his fellow capitalists of millions of pounds. It was stated of Factor that he was an illiterate, who was even unable to sign his own name without difficulty.

Such are the rewards for initiative. It would be true to say that the ownership of wealth by the modern capitalist class is as much due to initiative as Factor's millions were due to his academic attainments.

* * * *

Some Effects of Capitalism

From *Wépzava* ("The People's Voice"), the Hungarian Social-Democratic daily, for December 22nd, 1932:

In 1932 down to December 20th 1,126 women began giving birth to children in the street, and were taken to a hospital or nursing home. 1,126 fearful blows in the face for Hungarian social policy, which does not even take steps to see that new-born children shall come into the world with a roof over their heads! . . . A mother who finds herself lying in the hour of her greatest stress in the filth of the street

instead of on a clean operating table, not only feels that society has no use for her, but that her child is born with the chains of poverty shackling its limbs, and to a destiny devoid of hope.

And from *The Star*, December 22nd, 1932:

The best study I have seen recently of the psychological effect of unemployment is the vivid report on life in the Austrian village of Marienthal which appears in "Character and Personality." The 1,500 inhabitants have been workless since a local factory closed three years ago, and are living on 5d. per family per day.

The investigators got at the facts in an ingenious way. Before distributing clothing they called from house to house, inquiring into the need, and in this way secured an insight into the domestic conditions. They also organised sewing classes and made the keeping of household accounts a condition of membership.

The inquiry revealed that the unemployed, having time on their hands, lose all sense of it. They become unpunctual and slowly resign themselves to a state which renounces even the discussion of politics and the reading of newspapers.

After three years the inquiry tabled only 14 per cent. as unbroken in spirit. Of the rest most were resigned to enduring their present state and the remainder broken completely. "heedless of the future as of the present."

We can imagine all the parsons and priests in the kingdom arising with a great self-righteous show of protests if animals were treated with a fraction of the inhumanity meted out to the unwanted wage-slave.

Incidentally, these conditions and their results on the workers in Austria are a somewhat tragic commentary on the notion held by many woolly headed persons that starvation makes Socialists.

* * * *

In the House of Commons

During the debate on the Kenya *New Lands Trust Ordinance*, which deprives the Natives of Kenya of the right to their lands on it being required by the Kenya Administration or White Settlers, Sir J. Sandeman Allen, commenting on the protests on behalf of the natives made by several prominent clergymen, said: ". . . If Church dignitaries in East Africa confined themselves to their missionary work and did not try to do anything outside of their proper sphere it would be better for all concerned." (*Hansard*, February 8th, 1933.)

The social influence of the Church seems to be in its twilight. When it interferes in class conflicts, as in the "General Strike," it is told—in the words of Mr. Baldwin to the Archbishop of Canterbury—to "mind its own business." In short, the business of the parson is to console and not to interfere.

The varied attitude of the British Government in foreign affairs makes a somewhat interesting and contrasting reading. Mr. J. H. Thomas, being asked in the House of Commons what there was to be gained in pursuing the policy of the Government in relation to Ireland, replied (amidst laughter): "I have got a few hundred thousand

pounds more as a result of the increased duties." (*Hansard*, February 9th, 1933.)

On Saturday, February 10th, a wireless debate took place between students of Yale University, America, and students of Cambridge University, England, on the subject of War Debts. The English case was for the complete cancellation of War Debts, thus summarising the attitude of the British capitalist class as expressed through its Press. The reasons given for cancellation were ingenious, and were to the effect that cancellation was really in the interests of the United States of America. Somewhat after the sanctimonious manner of the schoolmaster, who, having punished a pupil, claimed the punishing to have hurt the schoolmaster the most. In Kenya the attitude of the British capitalist class is one of the heavy boot; in Ireland, that of a bullying braggart; but their attitude to America is—well, sycophantic is a mild word, perhaps Pecksnifian would be appropriate. The reasons, of course, are obvious. Beneath the tender solicitude for backward countries and the polished verbiage of diplomatic documents, there are hypocrisy and greed as crude and as vicious as that which characterised the early days of Capitalism.

* * * * *

Strange Bedfellows.

The *Leader*, February 7th, 1932, contained an article called "Blasphemous Attacks on Christianity." Among other books that were quoted was our pamphlet (without reference to its source of publication), "Socialism and Religion." The *Leader* is very concerned about these attacks and thinks leaders of the Labour Party, especially "those who call themselves Christian Socialists," should do something about it. The *Leader* is a "tipster's" journal, which thrives on the belief among millions of gullible workers that they can get rich quickly and easily from betting and competitions of the kind run by popular newspapers for large money prizes. (Quite recently, a mathematician publicly stated that the chance of winning a prize in one of these competitions was many millions to one.) It is perhaps quite fitting that those who thrive on one form of superstition should feel a brotherly concern for those who foster superstition in another form.

* * * * *

The I.L.P. Finds Inspiration.

During January, letters appeared in the columns of the *New Leader* from members of the I.L.P. on the subject of "Religion and Revolution." The varied views held aptly expressed the confusion of ideas of the I.L.P. on the subject, and ranged from the view that "Christianity is Socialism" to an attitude that more or less approached the Marxist position on the subject. In the issue for January 10th, Dr. John Lewis

replies in what the Editor of the *New Leader* describes as an "able contribution" to the discussion. Dr. Lewis's reply is a typical piece of I.L.P. shuffling. He evades the essential points in the letters from critics of Christianity, and, like Paton in his reply to a similar discussion on "Parliament and Democracy," attempted to placate and satisfy all the diverse elements that make up the I.L.P. Christianity, he says:

. . . . Takes on a totally different form according to the period, and at no period is it a mere reflection of a static economic order. . . . At periods of crisis in which we are mainly interested, religion splits. One part sanctifies the obsolete; one part champions the new order.

Which, as historical summary, is fairly accurate. But his conclusion, based on the above, is as follows:

To-day religion inspires, for the first time, a movement which can achieve its ideal by building a classless society, and finally overthrowing the exploiters.

Dr. Lewis's view, which he attempts to support with Marxist formulæ, is that the demand for Socialism by the workers will express itself in a religious form inspired by Christianity. Dr. Lewis is, of course, entitled to his peculiar views, but to pretend that these are the views of Marx is sheer misrepresentation of Marx's explanation of religion. Had Dr. Lewis gone one step further he might have discovered that the forces which, in the past, determined that Christianity took on a "totally different form according to the period," also determined the decay of Christianity in Capitalist Society. So much so that, for all practical purposes, Christianity is dead so far as the workers are concerned. It is almost a certainty that if Christianity ceased to be taught in the schools and subsidised by the State, it would quickly take its place in the museums of antiquities.

It is an interesting explanation, however, that the I.L.P.'s latest pose as a "real revolutionary party" is so inspired. This is a new angle on the decisions of the Bradford Conference, which was perhaps a waste of time.

H. W.

Dagenham

A discussion class is to be held at Pettit's Farm Heathway, every other Friday at 7.30 p.m., commencing 7th April. All invited.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	...	...	Tooting Broadway, Garratt Lane, 11.30 a.m.
			Tottenham, West Green Corner, 8 p.m.
			Victoria Park, 11.30 a.m.
			Walworth, Liverpool Street, 11.30 a.m.
			Finsbury Park, 11.30 p.m.
			Clapham Common, 3.30 p.m.
Monday	...	...	Prince of Wales, Paddington, 7.30 p.m.
			Ridley Road, Dalston, E.8., 8 p.m.
Wednesday	...	...	Highbury Corner, N., 8 p.m.
Thursday	...	...	Prince of Wales, Paddington, 8 p.m.
Friday	...	...	Tottenham, West Green Corner, 8 p.m.
			Bethnal Green, Salmon and Ball, Cambridge Road, E., 8 p.m.
			Prince of Wales, Paddington, 8 p.m.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to Reynolds, 57, Weymouth Terrace, E.2.

BIRKENHEAD.—Secretary, H. Dawson, 58, Willmer Road, Birkenhead. Branch meets every Thursday 7.30 p.m., at 36, Claughton Road. Lecture and discussion after branch business. Non-members invited.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets at above every Thursday, at 7.30 p.m.

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Communications to Sec., at 396, Heathway, Dagenham, Essex. Branch meets Pettits' Farm, Heathway, every other Tuesday (commencing 7th March).

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 7.30 p.m. at 141, Bow Road, E.3.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., at 15, Barclay Place.

GATESHEAD.—Secretary, Edmund Howarth, 12, Egremont Drive, Sheriff Hill, Gateshead. Branch meets Fridays, 7.30 p.m. to 10 p.m., at Socialist Club, 25 Royal Arcade, Newcastle. Lecture or discussion of the branch business. Non-members invited.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Fridays in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 7 p.m.—10.30, 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., J. Rodgers, 136, Rockingham Lane. Branch meets alternate Mondays, 7.30 p.m. at 162, Ellesmere Road. Non-members invited.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest Street, E.1. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets alternate Tuesdays at 8 p.m., Springfield Social Club, Garrat Lane, Tooting, opposite Burntwood Lane. Sec., J. Keable, 15, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WALTHAMSTOW.—Sec., S. E. Williams, 64, Bloxhall Road, Leyton, E.10. Branch meets at Workmen's Hall, High Street, 2nd and 4th Mondays each month.

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain

HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

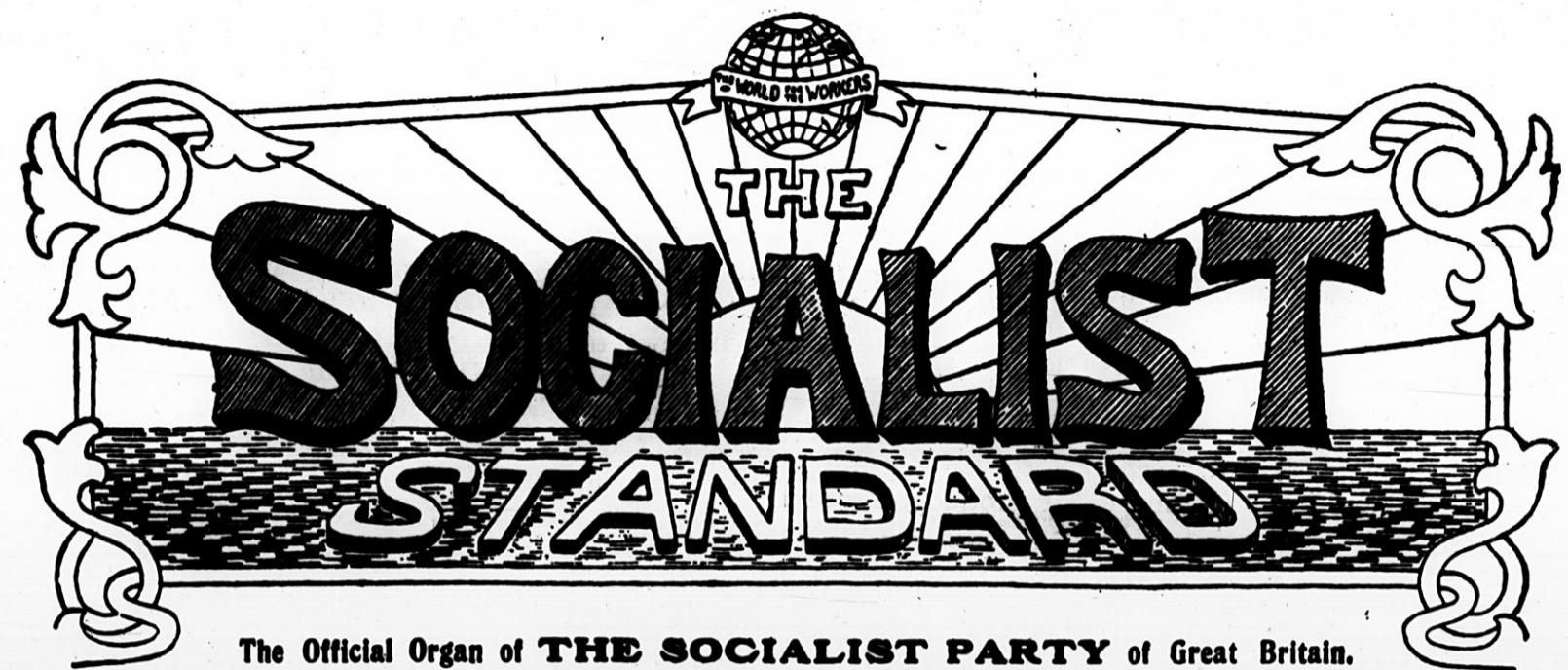
Branch Directory—continued.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

No. 345. VOL. 29]

LONDON, MAY, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

A MAY DAY MESSAGE	129	OUR ANNUAL CONFERENCE	139
SOCIALISTS AND WORKING CLASS UNITY	180	THE MEANING OF EXPLOITATION	139
THE DOUGLAS SCHEME	132	WHAT STALIN FORGOT TO MENTION	140
SOCIALISM AND CHARITY	134	WHAT WOULD THE S.P.G.B. DO IF...?	141
RUSSIA: THE LAND THAT DID NOT ABOLISH UNEMPLOYMENT	136	WAR AND THE WORKERS	141
SOCIALISM INEVITABLE	137	AMERICA AND HAITI	142
		CRIME: ITS CAUSE AND CURE	143

A May Day Message

The first day of May once had a significance which has now become only a tradition. It was a day of hope and rejoicing at the awakening of Nature from its winter sleep and the promise of bright days and good crops. The wet, dark days of winter were past, and the dry, sunny days of summer were coming, and it was an occasion for fun and frivolity. The festival is old and takes us back to the flowery times of old Greece and Rome. Our forefathers celebrated the day with festivals in the villages with dances round the maypole.

But these are dull times, and our opportunities for gaiety are limited by our toilsome hours providing profit for masters. Yet a pale shadow of these celebrations still drifts about on May Day. Just as the ancient joyous and colourful festivals reflected the spontaneous outburst of less rigid times, so the modern ghost reflects the strictly commercial character of to-day. In the parks beribboned railway vans and the like have a "businessman's holiday."

The Labour movement celebrates May Day in its own particular way. The first conference of the International Workingmen's Association adopted a resolution stating that the limitation of the working day was the first step in the eman-

cipation of the working class. When the first conference of the second international met in Paris in 1889 they seized upon this resolution, reaffirmed it, and set aside the first of May in every year for Labour demonstrations in favour of an eight-hour day. Since then the first of May has been haunted by the spirit of reform.

Every year larger and larger processions form up behind banners representing almost every conceivable reform, and, with bunting flying, march to arranged spots where platforms are set up to enable Labour leaders and cranks of different descriptions to rant and rave or discourse sweetly to the enhancing of their own reputations and the satisfaction of masses of discontented workers who have not yet discovered the real source of their discontent and the remedy. The proceedings end with the passing of pious and empty resolutions which do not carry the working-class movement a step further on the road to emancipation.

The association of protests against mere effects of capitalism with the May Day demonstration continues to cloud its proceedings. It expresses the clamourings of hosts of people who have their own little corner of discontent, and sworn enemies unite on the platforms to entertain the large audiences. Nationalists, unemployed, Communists,

trade unionists, anti-vivisectionists, labourites and reformers of myriad hues unite in more or less vague protestations against the powers that be—protestations that are utterly futile because there is no effective power to back them up.

Our May Day message is now twenty-eight years old, but it is still the same, and it is still fresh and to the point. The capitalists own the means of production and distribution, and owing to this they are able to keep the worker a toiling slave. Ownership of the means of production and distribution is assured to the capitalists through their control of political power, a control that the worker gives them when he votes them into power at election times. The way to freedom lies through dispossessing the capitalists of the power they wield and the instruments they control. This can only be accomplished by obtaining control of Parliament for the purpose of establishing Socialism. This is the common task of the workers the world over regardless of race or colour. The purpose and the determination necessary are the same on every other day of the year just as much as it is on May Day.

As spring awakens hope let it awaken those who are sunk in apathy to the real promise of the future, and stir them to grapple with the fundamental problems of working-class life.

On this May Day then, as usual, we send forward a message of fraternal greeting to our fellow-workers of all lands, whether they be Jewish or German, Hindu or Russian, white or coloured. We urge them to join with us in the work of overthrowing the power that keeps them in bondage and to refrain from placing trust in ideas of leadership or in vague aspirations that only have the heartbreaking end of disillusion and apathy.

GILMAC.

DEBATE

S.P.G.B. versus THE COMMUNIST PARTY

A debate is to be held on Sunday, MAY 7th, at 10.30 a.m., at GROVE HOUSE, High Road, LEYTON.

For the S.P.G.B. - - - - S RUBIN

For the C.P.G.B. - - - - R. FOX

Admission free. All invited.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

Socialists and Working Class Unity

An appeal has recently been sent out by the Communist International for a "United Front" of the working class against "Fascism," and in defence of working class standards of living and a number of other objects. This has been taken up readily by the I.L.P., but the Labour Party and Trades Union Congress have rejected the proposals of the I.L.P. and the Communist Party for joint action. Before explaining the attitude of the Socialist Party of Great Britain towards unity proposals, it is worth while observing the conditions which have given rise to a revival of the idea of the "United Front." The plan is not new. On the contrary, the past half-century has witnessed innumerable attempts to form one united organisation into which the various parties calling themselves Labour or Socialist could merge. We are, however, interested at the moment only with the movement organised just 11 years ago. The circumstances are strikingly similar to those of to-day. The world is sunk in a serious economic crisis—as it also was in 1921-22. Hitler has just risen to power and has demonstrated the incapacity and utter impotence of the Social Democrats and the Communist Party in face of a situation which they professed to be able to tackle. In 1921 and 1922 Mussolini was strengthening his forces and subsequently, in October, 1922, came to power, showing, just as Hitler has shown, that the Labour and Communist parties were unable to offer any serious opposition. Again, in 1921, as at present, Russia was in the throes of a serious internal economic crisis. In 1921 this crisis, aggravated by the famine, compelled Lenin to introduce the new Economic Policy, an open avowal of Russia's inability to do without capitalism. (August, 1921.) Then, as now, the Communist International and the Communist parties were under the orders of the Russian Government, and the latter instructed them to open up the "United Front" campaign in the belief that it would strengthen the position of the Russian Government at home and abroad.

So in March, 1922, after roundly abusing the Labour parties for two years, the Communist Party was prepared to meet them, join up with them, accept their rules and programme, and tell the workers to vote for those whom hitherto it had described as tools of capitalism. Now the cry of unity is being revived and we are again asked to justify our definite and absolute refusal to have anything whatever to do with it.

It is not that the S.P.G.B. is opposed to unity or that we like segregation for its own sake. On the contrary, it is our claim that only through Socialism will it ultimately be possible to unite the human race by ridding the world of the economic barriers which divide class from class and nation from nation.

Nor are we opposed to unity of the working class for the purpose of achieving Socialism, for we know full well that Socialism can only be achieved when at least a majority of the working class are prepared to join together to bring it about. But unity, to be real and useful, must have a common purpose and common basis, and there can be no common basis for unity between the S.P.G.B. on the one hand and the Communist and Labour parties on the other. When Socialist unity becomes a possibility our Declaration of Principles shows the basis on which alone it can be achieved. It declares the object that Socialists have in view, and in general terms, the means by which power for Socialism can be reached. It is not sectarian, but it is also not so loose that it will cover the vague lack of principle of the sentimental dreamer who has not grasped the essentials of capitalism and of social development.

Let us be more specific. Why will the S.P.G.B. not join up with the Labour Party or the Communist Party? The principal objection the Socialist has to the Labour programme is that it has not a Socialist objective at all. Socialism means the common ownership and democratic control of the means of production and distribution. In spite of a superficial similarity of words, the Labour Party is not aiming at common ownership, but at State control with private owners. The capitalist class are not, according to the Labour Party, to be dispossessed, but are to remain as a property owning class, but are to be deprived of their immediate control over the management of industry. The country is to remain the same in all essentials. There will still be a working class and a class living on property incomes. Goods will still be produced for sale and profit making, but the management will be in the hands of a series of so-called public utility corporations, directed by highly-paid business men like Lord Ashfield. This is a grotesque representation of Socialism. It is capitalism in a thin disguise. It solves no working class problem. It is not Socialism and as such does not bring Socialism one day nearer. Socialists do not, and cannot, desert all their Socialist principles in order to create a fictitious unity behind such a façade of illusion.

Now for the Communists. It is necessary here to insist on a frank recognition of what the Communists really stand for. It is their honest conviction that mass strikes and demonstrations, leading on to street fighting and civil war are the means, and the only means, to Socialism. We reject that in its entirety; not only is it not the best means, it is not a means at all. Civil war and its corollary, the dictatorship of the Communist Party (misnamed in Russia the dictatorship of the working class), are not the soil out of which Socialism, or even a Socialist movement, will spring. They hold out no prospect for the future and they are full of deadly damage to the working class in the present.

For it is the criminal irresponsibility and dangerous civil war talk of the Communists which, feeding on the workers' disillusionment with the openly capitalist and the Labour Parties, fosters the development of Mussolini and Hitler.

The Communists talk ignorantly of the working class being tyrannised over by a Hitler or Mussolini. They forget two things of vital importance. The first is that every riot and street fight organised by them, every bluffing appeal to arms, helps to create the conditions of violence and panic out of which the so-called Fascist movements rise to power. The second fact they forget is that their violent talk and actions are directly, and indirectly, harmful to the Socialist movement, for they drive vast numbers of the working class over to the side of the parties of violent suppression. If it is impossible for Trade Unions and Socialist organisations (as well as Communist and Labour organisations) to function in Italy, Germany and elsewhere, the Communists are largely responsible. It is they who for years prepared the ground for Mussolini and Hitler by planning attempts at the seizure of power by armed minorities.

Whatever the intentions of the Communists may be, they are enemies of the working class movement.

The Socialist Party of Great Britain lays emphasis on the fact that it is a movement fundamentally different from the Labour parties and from the Communist parties.

We come before the working class with a reasoned explanation of the economic ills of the world, and with a reasoned plan for placing the social system on a new basis in keeping with the development of man's productive forces.

We appeal to the working class to understand and act upon Socialist principles. We preach that the method of achieving Socialism is by constitutional, majority, control of the political machinery through the vote.

We come not to create chaos and civil war, but to bring order to a disordered world.

We are not political gangsters threatening the lives or well-being of any individual. We are not bent on revenge, or on penalising our political opponents or the members of the propertied class. While it is necessary that the means of production shall be brought under social ownership and control, Socialism will offer to the whole community—ex-capitalists included—the comfort and security which rational use of modern productive forces renders possible.

Indeed, it is our boast that the increasing insecurity of life under capitalism and the chaotic conditions at home and abroad will, in time, drive more and more capitalists, as well as the workers, to recognise that the Socialist movement is the only guarantee of ordered development for society as a whole.

Our answer to appeals for unity is, therefore, what it has always been. The S.P.G.B. is always prepared to welcome Socialists to join us on the basis of our Declaration of Principles, which points the only road to Socialism. Never, under any circumstances, are we prepared to unite with those who—however well-meaningly—are travelling to a different objective or who preach a policy of civil war, which, if acted upon, destroys all present hope of Socialist propaganda and organisation and delays progress towards emancipation. H.

The Douglas Scheme

BURSTING THE BUBBLE

An interesting development since the war has been the rise of the "Social Credit" movement led by Major Douglas. Its interest for Socialists arises partly from the fact that it stands in the way of Socialist propaganda and prevents many workers (particularly the younger ones) from going to the trouble of studying Socialism, and partly from the peculiar features of the movement, features interesting in themselves. Here we have a political movement which almost completely ignores many of the ordinary methods of political parties. Instead of trying to capture Parliamentary seats and build up a party machine of its own, it relies on permeating the members of other parties. Its basis is not a long programme of immediate aims tacked on to a vague philosophy, as is usual with capitalist political parties, but a straightforward demand for an apparently simple, but fundamental, change in the monetary system. It does not change with every change in the political and industrial situation, but maintains a high degree of consistency. It is based on an economic theory which almost every economist and practising banker describes as absurd, yet it holds its own and goes on gathering adherents. It has produced a considerable body of books and periodical literature, and is hotly debated in trade union branches and many political organisations. It has so far reached recognition that Major Douglas was invited to give evidence before the Committee on Finance and Industry (MacMillan Committee). In studying the Douglas movement it is, therefore, necessary not only to decide whether the economist, Mr. D. H. Robertson, is correct when he says that "the arguments of Major Douglas . . . are founded on a fallacy so crude that, until one has looked into them for oneself, it is almost impossible to believe that they can really have been put forward," but also to explain how it happens that a theory so open to question has been able to win support.

One aspect of the second question can be dealt with right away, without going deeply into the theory at all. In essence, Major Douglas says that all the evils of trade depression, unemployment and poverty are caused by a "kink" in the

monetary system, which results in a permanent shortage of purchasing power. He says that production of goods of all kinds could be easily and almost immediately increased to an enormous extent if it were not for the fact that this "kink" prevents the mass of the population from being able to buy the goods. By a simple correction of the defect in the monetary system, poverty could at once be abolished. That is the hope Major Douglas holds out. It is its simplicity and all-embracingness which makes it so attractive.

In times of economic disturbance and political unrest all those people who find their old mental landmarks shifting or overthrown, and who cannot themselves cut a path through the tangle, are desperately anxious to discover new guides, who will lead them to safety. Major Douglas's scheme has everything to recommend it from this point of view. The Liberal Party has ceased to be effective since the war. The Labour Party has been a failure in office and its old propaganda for nationalisation has had to be discarded without anything so simple and superficially attractive to take its place. Unemployment has been heavy and persistent and no Government has frankly faced the issue. The pre-war days of two big political parties, with more or less clearly defined policies, have gone, and we now have a situation in which the old lines of cleavage have largely disappeared. It is hard nowadays to tell what programme exactly the various parties stand for.

The economists are in as complete a muddle as the politicians. They produce their theories and explanations for the bewilderment of students, and the ordinary man in the street, who knows nothing of nice points of theory, sees only that the economists are hopelessly disagreed among themselves even about the elements of their subject; that their explanations and forecasts time and time again have been shown to be false; and that their attempts to advise and guide the politicians have had no obvious effect on the solution of the world's great problems.

Into this situation comes Major Douglas with a staggeringly simple proposition. Solve the problem of trade depression and poverty by distributing purchasing power free. Usher in the age of plenty!

The proposal is attractive to the worker who is unemployed; to the small manufacturer or shopkeeper who believes that but for the alleged dominance of the banks over industry he could hold his own in competition with the combines; and to the struggling professional man who sees that his supposed superior knowledge and training give no guarantee of a steady and comfortable livelihood. One merit the theory has in the eyes of its adherents is that it saves them from the necessity of making themselves familiar with the theories of the recognised economists. If, as Douglas says,

all the economists (including Marx) have failed to notice the defect alleged to exist, and if this defect is of vital importance then why waste time studying economic textbooks?

With all these advantages it is not surprising that the theory of Major Douglas has made considerable headway and is known not only in England, but in the Dominions and U.S.A., where energetic groups carry on propaganda on its behalf.

A brief reference has already been made to the nature of the theory. Before going into details and analysing it a digression must be made in order to explain the position the banks and the money system occupy in the capitalist world. Without some such background all discussion of the Douglas proposition will be useless.

The Economic Basis

The first point to notice is that beneath all the processes of buying and selling, banking and commercial operations, lies the private ownership and control of the physical means of life. This is so obvious that it ought not to need mentioning, but it is often overlooked in discussions about currency and finance. Human beings need food, clothing and shelter, recreation and amusements. These things are provided by the application of human labour to the land, raw materials, and the instruments of production and distribution, but the individuals whose labour-power produces the wealth do not own it. All the land and raw materials and all the products are privately owned by individual capitalists or companies. The typical features of capitalist production are, then, the existence on the one hand of a large number of workers who get their living by selling their mental and physical energies for a wage or a salary, and, on the other hand, a relatively small number of capitalist investors who get their living by owning property and employing workers to use that property for the production of wealth. With their wages and salaries the workers can buy part of the wealth produced, and the balance remains in the possession of the capitalists. The workers consume the greater part of their share immediately, by eating food, by wearing out their clothes, and so on, while the capitalists, through the abundance of their wealth, are able to "save" a considerable part of it; that is to say, they take it not in the form of articles for personal consumption, but in the form of factories, machinery, etc., and all the various forms of additions to the existing stock of "means of production and distribution."

If we ignore for the moment the whole of the elaborate machinery of buying and selling, banking, etc., and look only at the main underlying physical features of capitalism, what we see is millions of workers producing and distributing the articles needed to sustain life, and working under the control of the capitalists who own the land, factories, railways, etc. The articles produced can

be divided into three classes: (1) Articles needed for the subsistence of the workers (mainly necessities); (2) Articles for the subsistence of the propertied class, both necessities and luxuries; and (3) Articles needed for the repair and extension of existing means of production and distribution (factories, railways, etc.) and the erection of new kinds of means of production and distribution as new needs arise and are satisfied.

But, in fact, the above picture is over-simplified because capitalists and workers are not two closely organised world classes acting as two single units, but are composed of millions of separate individuals and groups acting on their own. If they were two single units, each represented by a responsible authority, we could imagine them planning production and distribution so that only so much of each kind of wealth is produced as is needed, and so that the responsible authority for each class divides the articles among its members as required. Actually the process is carried out with the assistance of the money system. Each capitalist firm produces goods of one or a few kinds (say, boots) and sells them for money. The money is used to pay for the costs of manufacture, raw materials, wages, profits, etc., and the individuals who receive the money spend it to buy goods of various kinds. The final effect arrived at by this money process is at bottom the exchange of commodities. Each individual who owns commodities goes into the market and effects an exchange, giving one kind of goods and receiving another kind or kinds. The worker goes into the market with labour power to sell. He receives wages and uses them to buy bread, clothes, etc.

The advantage of the money system over the direct exchange of goods—barter—is that simple barter is faced with the difficulty that the individual who brings boots to the market may not want to receive the articles brought into the market by the man who wants the boots. Money, on the other hand, is the "universal equivalent." He who has money can, if he has sufficient of it, buy any of the thousands of kinds of articles offered for sale. Consequently, the use of money as a medium of exchange is a great advance on systems of barter. But it must not be forgotten that the various substances which have been used as money (in modern times silver or gold) have been able to occupy that position only because they were like every other article in the all-important characteristic that they possessed value, while in addition gold and silver have qualities of durability and scarcity which make them most suitable for use as money. (The use of banknotes to represent certain quantities of gold or silver and to circulate in place of coins does not raise any issue which needs to be gone into at this stage.)

The values of articles are not accidental or fixed by the free choice of the owners of them. Value is a relationship between the various articles

depending upon the amount of labour required in their production. Leaving aside various complicating features we can say that a certain weight of gold has the same value as a certain weight of wheat, or a certain number of razor blades, because the labour required to produce each of these three quantities is the same.

We see, then, that the payment of a sum of money by one person to another is, in effect, a way of transferring command over goods from one person to another.

The Banking System

The origin of the banking system was the practice of depositing money for safe keeping with the goldsmiths and paying them for this service. The goldsmiths subsequently adopted the practice of paying interest to the depositor, and they re-lent the money at a higher rate of interest to a borrower. This was only an indirect way of the depositor himself lending his money at interest to the borrower. Whether the goldsmith acted as intermediary or whether the lending was done directly the general effect was the same, i.e., the owner of the money (representing a command over goods) was lending it to a borrower, who would thus, for a specified time, have at his disposal the means of buying goods. It was not an act of "creating" goods or values, but only of lending them, the banks being intermediaries between lenders and borrowers.

Fundamentally, the same process underlies the modern banking and credit system. People who deposit cash and cheques in the banks are, in effect, placing at the disposal of the banks a command over goods, expressed as a certain sum of money. The banks pay to the depositor a fluctuating rate of interest on most of the deposits, and place the deposits at the disposal of other persons and companies who wish to borrow. Again, it is, in effect, a process of transferring the command over goods from the saving section to the borrowing section. As the banks need security for their loans to industry the borrower in fact (or in effect) pledges his factory, his stock-in-trade, etc. The bank is just like a pawnbroker, except that the bank largely works on borrowed money. The banks are intermediaries between one set of property owners and another set. The borrowers pay interest to the banks, who pay a smaller or no interest to the lenders. The whole of the interest comes ultimately out of the productive process. The capitalist who borrows from the banks and sets production in motion is able to do so and to meet all his expenses and pay profit to shareholders and interest to the banks, because the values produced by his employees are greater than the values consumed in the process (including the values consumed in the maintenance of the workers, their wages). The base of the pyramid of capitalist industry is the

workers (including, of course, the so-called brain workers) who produce values which cover all the costs of production, and cover wages and then still leave a surplus to be divided among the land-owning capitalist, the industrial-capitalist, and the money-lending capitalist in the form of rent, profit and interest.

That is a brief outline of the underlying framework of capitalist production, but Major Douglas and others who think like him cannot see this framework. All they can see is a confusing series of effects and appearances, confusing only because the underlying causes are not understood.

In a further article, the origin and nature of the Douglas theory will be explained. H.

(To be continued.)

Socialism and Charity

"There is no nobler work than this. It is unthinkable that it should be hampered or curtailed through sheer lack of funds."

These are the concluding words of an appeal by Kingsley Long in the *Daily Herald* (February 23rd, 1933) entitled "Mother must be Saved!"

This appeal is for help for the hospitals. Its good work in saving the lives of numbers of women in childbirth is cited as being one direction in which the hospitals have fullest claim upon our sympathies and to which we should respond with financial aid.

What is the Socialist's attitude towards charities?

This can best be answered by another question: Why do the workers need charity? Because they have not access to all the things that could give them joyous and healthy lives (the sure preventative of most diseases). Our answer, then, is that all our spare time and money, which is very limited, should be spent on furthering the cause of Socialism, the sure and only cure for all the economic and most other ills which humanity suffers.

The objection to this, of course, will be that while we are waiting for Socialism, humanity still suffers. Whether we continue to devote our time and energy towards getting Socialism, or whether we divert them into charitable channels, we shall still have the vast majority of the workers needing immediate help and succour, simply because, as a class whose sole possession is its labour-power, the workers depend upon the sale of that commodity, whether or not they live frugally or plentifully, or in semi-starvation. We have only to look in the daily newspapers to find hundreds of cases of want and necessity, which are a crying disgrace to a so-called civilised community.

The Star (February 18th) calls attention in large black lettering to the "Ill Fed Mothers of Poorest London." It is a report prepared by

Deptford Public Health Committee. It says:—

It is clear that in the case of families in receipt of public assistance the amount of relief afforded cannot assure its recipients the minimum varied diet recommended by the Ministry of Health. It is impossible to escape the conclusion that there are many homes in which, after the rent is paid and allowance made for heating and clothing, there is an insufficient sum available for food.

Dr. Keith, the Medical Officer for Health, points out that the member of the family who suffers most when there is a shortage of nourishment is usually the mother, and adds:—

The signs of malnutrition are rather insidious. There is a loss of vitality, with mental depression, apathy, due, as the old-fashioned mothers express it, to "poorness of blood."

Again, in the *Daily Herald* of March 29th, 1933, there is a paragraph dealing with building with money borrowed at a cheap rate of interest for slum clearance. At the beginning of the paragraph it mentions that the Poor Law Authorities have found that they can only just, by buying wholesale, manage to keep a child for 4s. 8d. in a Poor Law Home.

It then goes on:—

But the slum housewife does not buy wholesale. Nor does she have 4/8 per head for her children alone, apart from the grown ups, after she has paid her rent. How, then, can she keep her family in reasonable health when her husband's wage is £2 a week and the rent for the home, to house a family of two adults and five children is 16/- a week. Someone has got to be sacrificed, if the children are to be nourished, and it is usually the mother and the un-born children.

Here, then, we have indisputable examples of some of the causes of the mothers of the working class losing their lives in child-birth, i.e., lack of pre-natal care and nourishment. What a hopeless endeavour charity is. First of all you are asked to help the hospitals, and when the hospitals fail, as they must, against such odds, you have got to clean up the slums, get a living wage for the workers, abolish unemployment, feed the school-children, and spread the knowledge of birth control. But stop, stop, the task is too Herculean. Getting Socialism will be far simpler and quicker. It is the direct method of solving the poverty problem. Terrible suffering is undergone by women in child-birth, and chloroform capsules have been used in a number of experimental cases, with great success, but so far the treatment is too expensive for universal use upon working-class mothers.

The position, fellow-workers, is this: We are living in a state of society wherein one class is a subject class and one a dominant class. The subject class, the workers, must sell their labour-power in order to live. The wage they receive may suffice to enable them to feed, clothe and shelter themselves, and have a family. All these things must be managed within the limited amount of the wage. In many instances it will barely cover a certain amount of actual necessities. All things other than these have to be provided by

the State or by private charity, or are not provided at all.

Thus, no allowance is made in a worker's wage for hospital treatment. He may never need it, but the State is prepared to assist in a limited way when he does. A worker cannot save for unemployment, but a good and beneficent State has made unemployment insurance compulsory because they cannot rely on voluntary help being given when they have to dispense the necessary maintenance. The State (that is, the capitalists who control the State) is prepared, sometimes, to supplement the worker's wage, when and if absolutely necessary.

It is rather significant that on February 28th the *Daily Herald* reports that the Ministry of Pensions is economising by closing, or partially so, its hospitals and transferring their patients (relics of the last war) to already overcrowded voluntary or municipal Poor Law hospitals. Here we have an example of how workers in the better-paid positions, who sacrifice part of their earnings to help their fellows, only succeed in helping the State to curtail expenditure. The Press, Pulpit, and now the B.B.C., are pleading and cajoling the people to help these causes. They never have to make a good cause out of sewers or refuse dumps. Disease is no respecter of persons, and these vital health services are scrupulously attended to, because the master class would speedily be affected, in many ways, by lack of attention to these details.

Tear down the veil of lies, cant, and humbug, fellow-workers, and let your sympathies go only to a cause which is worthy of your support as a class, namely, Socialism.

MRS. O.

Central Branch

Members of the Central Branch are asked, in future, to address all communications to M. Oliver, Secretary, Central Branch, 42, Great Dover Street, London, S.E.1.

MEMBERS NOTE!

BLOOMSBURY.

Bloomsbury Branch is arranging Short Lectures every Friday Evening at 8.30 p.m., at the AMALGAMATED ENGINEERING UNION HALL, 39 Doughty Street, W.C. (Corner of Guilford Street, off Gray's Inn Road).

May 5th. "The Materialist Conception of History." "Robertus"

May 12th. "Wheat." "Sandy."

May 19th. "Art & the Materialist Conception of History." Com. Kersley.

May 26th. "The M.C.H. and Literature" Com. Stewart.

Friday Evenings.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The Socialist Standard



MAY,

1933

Russia:

The Land That Did Not Abolish Unemployment

Up to 1930 the existence of a large body of unemployed was officially admitted by the Russian Government, and particulars of the numbers out of work and of the small relief payments made to them were published in the Soviet Union Year Books. Then, in 1930, it was claimed that the building of factories and railroads, etc., had absorbed the unemployed workers and had, in fact, created a scarcity. Communists blazoned forth the tidings that Russia was "the land without unemployment." Superficial observers like Lord Passfield and G. B. Shaw were so overjoyed when they found a government trying to run capitalism on Fabian "strait-jacket" principles that they accepted the Russian claim and hastened back to tell Europe and America how to solve their problems by copying the Bolsheviks. The S.P.G.B. was, it seems, entirely alone in refusing to accept the claim. We did not deny that Russia, or any other capitalist country, could show a comparatively small amount of unemployment during a period of great capital expansion. In that respect, Russia's experience is one which every country has shared at some time or other. What we did deny was that Russia could permanently escape the consequences of being part and parcel of world capitalism. Just as in 1918 the S.P.G.B. pointed out that economic conditions and the backwardness of the population utterly ruled out any possibility

of Socialism being established in Russia at that time, or in the near future, so in 1930 we said with equal certainty that the world crisis would, in due course, upset the attempt at segregating Russian capitalism from the rest of the world. Russia could not and cannot do without the outside world. Hence, the impossibility of carrying out planned production and distribution. The Bolsheviks planned to export certain commodities (oil, for example) and to import machinery, trained engineers, etc. The drastic fall in raw material prices and the curtailment of purchases of Russian exports inevitably deranged the plans. Faced with the need to meet its obligations abroad, the Russian Government had to curtail imports and cut its expenditure. The method followed was the usual one of reducing staffs. In February (see *Times*, February 26th) orders were issued for the dismissal of large numbers of employees in the State enterprises, and for the strict enforcement of the rule that wages must not exceed the planned total amount. The result has been an increase in the number of unemployed till it has reached large figures—how large it is difficult to say in the absence of official statistics. The correspondent in Russia of the *Manchester Guardian* (March 29th) states that the recently introduced Passport System (under which nobody is allowed to live in Moscow and other big cities without a passport) had already resulted in 750,000 people being refused passports in Moscow alone, with the probability that the figure would rise to 1,000,000. The correspondent says that passports are refused to all unemployed persons, but he does not know how many of the 750,000 are unemployed, beyond the statement that in the towns the number of unemployed is "considerable." For those driven out of the towns the prospect, he says, is starvation, "since everyone knows that outside the cities famine conditions prevail."

Mr. Gareth Jones, formerly foreign adviser to Mr. Lloyd George, who has just returned from an extended tour of investigation, states that the economy drive in the factories has often resulted in the dismissal of from 25 per cent. to 40 per cent. of the staffs. (*Daily Express*, April 8th.) There has, so far, been no re-introduction of unemployment pay, but doubtless Russia will, sooner or later, have to make some provision for its "industrial reserve army of unemployed," just like the other capitalist countries.

So Russia joins the long line of countries on behalf of which, at different times, it has been claimed that unemployment has been abolished without abolishing capitalism: Canada and Australia, France, Italy, America, the Scandinavian countries, Germany, and now Russia. Can we now hope that the I.L.P., the Communists and the Labour Party will be unable to put over any more hoaxes of this kind?

Socialism Inevitable

When Engels wrote to the effect that the establishment of Socialism would mean the ascent of man from the kingdom of necessity to the kingdom of freedom he was not guilty of a mere rhetorical flourish. He was expressing a profound sociological truth. The fact that under Socialism social forces will be under man's control to an extent never previously reached, and further, that this would be the inevitable result of the development of society, as the dissolution of Capitalist society is mainly a question of time, plus the action and interaction of social forces in their entirety.

Let us explain, in a more general way, our meaning.

The continuity with which the presence and pressure of adverse social conditions has pervaded human society is such that the idea of moulding human association to exclude privation and want impresses some people as being the product of a sentimental imagination. This arbitrary assumption is wholly wrong. The idea in question is the result of a logical deduction made after a study of the social history of mankind, and considerably animated by the pressure of the effects of capitalism upon us as members of the working class.

The socialist philosophy of life is born and nourished by the knowledge that capitalism can never be made to function in the interest of those who produce the means of living, or even of making the essential needs of social life its primary concern. This view may be challenged on the ground that capitalism is a social system and, as such, must concern itself with social needs.

We may speak of capitalist society as a social order, as one that has evolved from other and different forms of social life, but our reason for doing so is that its structure has a basis from which certain more or less regular and regulated economic, political, legal and sex relationships arise. It is, therefore, known in the science of sociology as a social order.

Since the breakdown of tribal society, under which private property had little or no meaning as a social status, social convulsions and revolutions have been experienced through which one form of class rule has superseded another. But whilst each ruling class has fought for social control in order to remove the obstacles that impede its further development, the social organisation following the conquest of power is the result of normal development and not the conscious design of the ruling class in question. Economic and political development has continued without those who have gained most from it being aware of the nature of the process.

Society to-day has an orderly appearance, but the anarchic character of its foundations produces effects that are constantly felt. At the very basis

of this social system, in the course of the production and distribution of its wealth, there exists, despite the social form which production takes, a considerable degree of anarchy among those under whose "guidance" the process of production and distribution is carried on. The preservation of class rule compels a measure of co-ordination among the rulers in order to conserve the institution of private property, but in the quest for enrichment the scramble between capitalists is carried on with an intensity that bears comparison with the struggle for life in the animal kingdom.

In this scramble for wealth the machinery of production is overworked and the world becomes flooded with goods which the producing class cannot obtain in sufficiency and the owning class cannot dispose of at a profit. Where this condition obtains wealth is often destroyed instead of being consumed, because consumption was not the underlying purpose of its production.

Looking at the matter superficially one might take it for granted that the needs of society as a whole would be the first concern, but this is not so in class society. Were it really so, the trash that passes under the name of human requirements would never be placed at our disposal.

It is true that the wealth produced in capitalist society has a use-value, but such use-value as it may have is a mere incident to its existence. It is not for its usefulness that it is produced, but for its capacity to bring profit to the capitalists. No profit, or ultimate prospect of profit, then no production is permissible.

In thus criticising capital's mode of activity, we socialists imply nothing of moral significance. We are too well aware that things cannot be different from what they are as far as the main purpose of capitalism is concerned. Our case is strengthened, not weakened, by the recognition of the fact that business in capitalist society cannot be run without profit. But we are concerned with the consequences which flow from the quest for profit, because, as workers, we know our exploitation is the source from which profit is derived, and hence is inseparable from capital's existence. And this brings us to a lesson from another side of the effects of capitalism.

It is estimated that approximately thirty millions of people throughout the world are unemployed, and not even the most daring of our social optimists can reasonably point to the probability of these millions being entirely absorbed in a "trade revival."

Were it not for the tragic side of this feature of social development, it would be possible to share some sensation of humour from the irony of the situation. Here is the vital force of capital's organism, the source which gives it life and growth, a mass of human labour power rendered stagnant because of the inability of those who nor-

mally profit from its use to set it in motion. At the behest of the capitalists more has been produced than is sufficient to satisfy what the economists call the effective demand of the market. Therefore, workers must be unemployed, with their already meagre means stinted still further.

It is idle to insist that the conditions so far referred to arise from such a social disturbance as the late European war, or that they are occasioned by the particular government in office at any given time. Their existence is independent of any political administration, and would be here though the late war had never been. Wars and policies of governments may aggravate such conditions, but they do not cause them to exist. Given the condition that an individual or a class has the right and power to own the land, mines, mills, factories, and other means of obtaining those things which we need to live, and the whole of the conditions referred to follow as an inevitable consequence. Class ownership of the means of life, it cannot be too often stated, is the root cause of poverty, unemployment, wars and such-like social anomalies.

The class division in modern society tends to become wider and wider as time goes on, which no amount of social "amelioration" can stay. So much so that world economic conferences are now a generally accepted fact in capitalist psychology. Many who previously accepted the doctrine of no interference or intervention in matters of finance and industry by the State, now gladly welcome its assistance. Surely this must be taken as a sign of the trend of events, when the capitalists employ their State machine more and more to check the havoc wrought by their own machinations.

Yet these things were all seen by thinkers long before they reached their present dimensions; in fact, whilst they were yet in their infancy.

In the early part of the 19th century, Charles Fourier, an eminent French historian and sociologist, and one of the early utopian socialists, predicted that the unbridled competition of his time (immediately after the French Revolution of 1789) must result in great concentration of the means of production in the hands of a few. He saw, also, the growth of one of civilisation's greatest contradictions, poverty "born of superabundance itself." Fourier proved to be a forerunner of a writer on a similar theme, who came a few decades later and had the added advantage of surveying a more developed capitalism, namely, Karl Marx. It was he who first scientifically diagnosed the source of the economic ailments of mankind, and correctly exposed the process by which the working class is exploited. The mechanisation of industry (I almost said, of life itself) Marx saw with the full force of its consequences. But he did not blame the machine or its inventor. With the clear insight of the social scientist he saw that in the form of its ownership, together with the same form of

ownership in all the means of production, lay the cause of the trouble.

Since Marx wrote, the ever-increasing development of machinery has proceeded apace, spreading misery among the producers throughout the entire capitalist world, and making more difficult the problem of finding markets.

What, then, of the future of human society? Are we to relapse into a state akin to barbarism, which some fear? or is society to move forward along the path marked out for it by the laws of social development?

In the light of the lessons of history, we socialists declare for the latter course, not merely on the ground of the wish being father to the thought, but because, as indicated above, history shows that when any given form of society reaches a stage where further development is hampered, those whose interest it is to take the step for advancement, invariably do so; even though the immediate consequences of the act may serve as a deterrent.

It is a fact becoming demonstrably clearer as time proceeds that capitalism has outgrown its usefulness to humanity, and stands as a barrier to social advancement. How this increasingly affects certain sections of the capitalist class itself, causing them to cry out for world organisation, the cancellation of war debts, and the thousand and one other nostrums now proposed for the rehabilitation of capitalism, is no concern of ours or the working class in general. Our only concern is the overthrow of capitalism and the establishment of Socialism.

The workers are denied the possibility of enjoying the fruits of their labour, as they are hampered in sharing the real benefits bequeathed to society by all past history. It is they whom social laws have selected to bring the next stage in the development of society.

The generalisation of Frederick Engels, with which we opened this article, will then be an accomplished fact. The subjection of the powers of production to social control and regulation through Socialism will likewise vindicate the words of Marx, who declared of the capitalist thus:—

"Fanatically bent on making value expand itself, he ruthlessly forces the human race to produce for production's sake; he thus forces the development of the productive powers of society, and creates those material conditions, which alone can form the real basis of a higher form of society, a society in which the full and free development of every individual forms the ruling principle."

ROBERTUS.

READ . . .

"WHY CAPITALISM WILL NOT COLLAPSE . . .

Our View of the Crisis.

16 Pages 1d.

Post free 1½d.

Send for a copy.

Our Annual Conference

On Friday and Saturday, April 14th and 15th, was held the 29th Annual Conference of the S.P.G.B. to discuss, in the light of past experience, our propaganda plans for the future.

It was reported that the growth in membership had not been so rapid in 1932 as in the previous year; but the financial statement showed a position of solvency, with a definitely larger turnover. There was an increase in the number of outdoor and indoor propaganda meetings, in spite of the difficulty of keeping the very important study classes going; and proposals went forward for improving the general layout of the SOCIALIST STANDARD, which was recently enlarged. Contact has been maintained with foreign sympathisers and comrade parties in Australia, New Zealand, U.S.A., and Canada. The urgent need for full-time party officers meets with the difficulty of providing the funds in a party whose income can come only from working-class pockets. Nevertheless, there is cause for optimism in the consistent steady increase in numbers and activities which each succeeding conference reveals.

The Annual Conference is something more, however, than a review of past activities; something more than a source of encouragement to old members and of instruction to new ones. It is a perennial demonstration of the meaning of organisation for Socialism, of the principle that "the emancipation of the working class must be the work of the working class itself."

Just as the S.P.G.B., unlike other parties, is not a battle-ground of divergent views and rival personalities, but an organisation whose consistency of action flows spontaneously from its singleness of aim, and which is held together, not by a superimposed machinery of discipline, but by community of purpose, so our conference lacks characteristic features of non-Socialistic party conferences—the pious thumb-twiddling, the back-scratching and back-biting. Here is no eulogising of some leaders, and denunciation of others: for the Socialist Party has no leaders at all. Leaders cannot arise in a party whose members subscribe to the one straight issue of Socialism, based on a clear declaration of principles. For as each knows what is aimed at and what must be done to get it, there is no one to be led.

The democratic organisation of the S.P.G.B. is not an accident, but is the natural offspring of its unique singleness of object and clarity of principles. Only a militant organisation of revolutionary Socialists, an organisation democratically controlled at all times and on all matters by the membership, can accomplish the revolutionary act which shall abolish the class ownership of the means of living and establish the common ownership and democratic control of those means, in the interest of the whole community.

F. E.

The Meaning of Exploitation

Reports often appear in newspapers of companies formed to "exploit" lands, mines, oil-fields and so forth. What does this signify? When the word "exploit" or "exploitation" is used in this or similar ways, what is really meant?

To exploit is to make use of, but the directors of a company formed to "exploit" certain oil-bearing territories do not propose merely to use the land in question, nor do the shareholders of the company intend to take any part in the actual work of oil getting. In fact the mass of the shareholders will probably never even see the land from which the oil comes.

Further, the company is not formed for the pleasure of providing oil to a needy world, nor for the vindictiveness of polluting the sea and the air. It has only one purpose—to provide dividends for the holders of shares in the company. It is only because the particular oil wells appear to hold out the promise of being fruitful in this direction that they figure at all in the prospectus of the company. From the same point of view it is immaterial whether the oil be good or bad, Russian, Dutch, or American. The claims of patriotism, religion and humanity take second place before the claims of the purse.

The question that presents itself, then, is why should oil wells be instrumental in producing dividends as well as oil? This brings us to the question of the source of dividends. A glance at the published returns of companies carries the matter a little further. They show us that dividends come out of profits, past or present. But whence come profits?

As soon as the company is formed work goes rapidly ahead to get the production of oil under way, because until oil is sold no funds flow to the company, apart from loans and what the shareholders provide. When oil is sold over a definite period the difference between all the expenses of getting it and the money produced by its sale represents profit; but we still need to know from whence this profit comes—how it is possible for the production and sale of oil to be the means of also producing profit. The answer is a simple one.

In order to get oil produced, workers as well as oil wells are required. If the workers were to receive in return for their labour the equivalent in value of the oil produced, there would be nothing left for the shareholders of the company—there would be no profit from which to draw dividends. It follows, therefore, that the employees of the company cannot receive a value equivalent to the oil produced.

How are the wages of the company's workpeople arrived at? Experience tells us. They are paid on the average what it costs them to live and bring up families, regardless of the result in the form of oil due to the application of their

energies in the company's service. This wage may differ according to place and type of worker, but it still remains what it costs the worker to live. For instance, at a meeting of Courtaulds recently it was complained that Japanese competition was seriously affecting the firm on account of Japanese labourers being able to live on smaller wages than their own employees.

Whatever the wage of the worker, however, it is far below the value of what he produces, and it is owing to this fact that the investors and directors of the company expect it to prosper and anticipate dividends. It is out of the surplus labour of the oil worker, the labour above the value of his means of existence, that the profit and the dividends of the shareholders will come. An illustration will make the matter plain. If one man can live in the sun while two others work to provide him and themselves with the food and so forth they need, then the first man is living on the surplus labour of the other two. This, on a larger scale, is the position of the oil company. It is neither the land nor the oil that is exploited, but the worker. It is he in reality who is made use of by the company.

Exploitation, then, is squeezing from the worker surplus labour. Other things remaining the same, the more surplus labour squeezed from the worker the greater is the exploitation, regardless of the level of wages paid, and the more successful is the company in providing dividends for its shareholders.

It is, therefore, plain that exploitation is the root of all accumulations of wealth by private individuals. At one time it was the exploitation of chattel slaves, at another the exploitation of serfs. In modern times it is the exploitation of wage workers, or, more truly, wage slaves.

With this end in view the earth has been covered with manufacturing centres, and the bulk of its population reduced to beasts of burden, but without the security of livelihood of the latter.

Exploitation has brought into existence the glittering civilisations that have expressed the agony as much as the achievement of man across the centuries. The process will continue until the workers awake to the fact that it is they who produce and distribute the wealth of the world, and that they have no need to carry parasites on their backs to do so. The day the workers arrive at this knowledge exploitation will cease.

GILMAC.

Notice to Correspondents.

Owing to pressure on space replies to several letters have been crowded out of this issue.

"SOCIALISM AND RELIGION"
58 pages. TWOPENCE 2½d. post free.

What Stalin Forgot To Mention

Joseph Stalin delivered a report on the Russian Five-Year Plan to a meeting of the Russian Communist Party in January, 1933, and Modern Books, Ltd., have published it in an attractively got-up 2d. pamphlet. Stalin (or more probably some member of his staff) had the ingenious idea of quoting the leading capitalist newspapers and outstanding figures in the world of capitalist finance and industry as testimony to the success of the plans for industrialising Russia. Looked at from the point of view of publicity the idea was a clever one, but what does it mean when the capitalist chorus sings the praises of Russia? Does a socialist and working-class movement ever expect or receive commendation from the mouthpieces of capitalism? In short, Stalin over-reached himself, and showed up in a clear light the position the Russian Bolshevik politicians have come to occupy, in their own minds, in relation to the capitalists outside Russia. One of the passages of praise for Russia reproduced in the pamphlet is a speech by a prominent banker, Mr. J. Gibson Jarvie, chairman of United Dominions Trust, Ltd., delivered at the City Business Club in Glasgow on October 20th, 1932. Stalin quotes extensively from the speech those passages in which Mr. Jarvie said what an amazing success the Five-Year Plan has been.

Now read the passage that Stalin carefully omitted to quote:—

While Russia might be officially described as the Union of Socialist Soviet Republics, and might claim to be a Communist State, nevertheless that country to-day was, unquestionably, practising state capitalism, incorporating a modified form of private capitalism. He felt that as Russia advanced from one Five-Year Plan to another, private capitalism in some form or another would become increasingly strong, but—and this was the point capitalist countries must bear in mind—if she advanced according to plan she must, as a nation, become invulnerable.—*Times*, October 21st, 1932.

In other words, Mr. Jarvie gives a fairly good description of Russia's social system and the direction in which it is tending, and his fears are the ordinary ones of the capitalist in one country threatened by the competition of another capitalist country. In one thing, however, he is wrong. Capitalism in Russia is no more invulnerable than it is anywhere else. It will produce the same evils and call for the same remedy as capitalism elsewhere, i.e., the organisation of a Socialist movement.

Stalin should take more care how he selects his quotations.

H.

HOW TO GET TO HEAD OFFICE.

Great Dover Street is a turning out of Borough High Street, near Borough (Underground) Station. The station is on the line from Morden to Hampstead and Highgate, and lies between the Bank Station and Elephant and Castle.

What would the S.P.G.B. Do If . . .?

A reader sends us the following question:—

In the event of a sudden acceleration of the revolutionary spirit among the masses leading to a strengthening of the Communist Party of Great Britain at a period of capitalist disunion, and the subsequent outbreak of armed revolt, where exactly would the counsels of the S.P.G.B. lead its adherents—to the barricades, in support of the workers' struggle for emancipation; to the "orange box," to prove from dialectical Marxism that it can't be done that way; or to the arm-chairs of the debating room, there to study and collate "contemporary history"?

Reply.

Our correspondent has got himself beautifully tangled up through not making clear to himself what he means by the terms he uses. What, for example, is the meaning we are expected to give to the term "revolutionary spirit"? If it means a sound understanding of the social problem plus a determination to achieve a social revolution by the only possible means, the capture of political power, then an acceleration of the revolutionary spirit, sudden or otherwise, will not lead to a strengthening of the Communist Party, but to a strengthening of the S.P.G.B. As, however, that will not be followed by idiotic attempts at armed revolt the rest of the hypothesis does not arise and need not be answered.

If by "revolutionary spirit" our correspondent means (as no doubt he does) an outburst of "violent reformism," then it may lead to a strengthening of the Communist Party, or the I.L.P., or the Fascist organisations or any number of other reformist organisations prepared to play the silly game of "direct action," "armed revolt," and so on.

If such a reformist body were able (like Hitler) to rally sufficient reformists to its support, then the administration of capitalism would pass from one set of capitalist politicians to another—and capitalism would be in for another lease of relatively stable life.

If the violent reformists were a minority and attempted armed revolt against those who control the political machinery and the armed forces, then they would get what such people always get—sharp, brutal and bloody suppression.

As such an attempt would be foredoomed to failure and in any event would not be a "struggle for emancipation," but a struggle for reforms, the S.P.G.B. would oppose it in its entirety. The S.P.G.B. has no leaders and no followers, and would not therefore be offering to lead anyone anywhere. Its members being Socialists and knowing that "it can't be done that way," would naturally go on saying so. We can conceive of

no better service to the workers than to tell them in and out of season to beware of the silly sentimental or dangerous lunatic who advocates armed revolt and urges the workers to pit their unarmed defencelessness against the armed might of the capitalist State.

ED. COMM.

War and the Workers

An indication of what the workers, their wives and children, may expect to go through in the next thieves' quarrel of their capitalist masters is vividly brought home in a manual recently provided for the St. John Ambulance Brigade, and summarised in the *Daily Telegraph* of December 15th, 1932. Similar training, it is stated, is being given in numerous other countries.

The following precautions have to be taken in the event of an aerial gas attack:—

Windows to be sealed with putty or paper, and doors covered with woollen material soaked in soapy water.

All fires to be extinguished and chimneys and ventilators blocked.

No lights except electric.

Occupants of rooms, who should have 20 square feet floor space each, to keep quiet and still.

All suspected of contact with the gas to discard outer clothing and wash well before being admitted to refuge.

No occupant to leave a sealed room without authority, the key being left outside.

Rooms to contain many pails of water, soap, paper and pencil, and a red light for signalling in an emergency.

Victims unavoidably in contact with gas to hold their breath and close their eyes as much as possible.

When the aerial raiders have departed, leaving a trail of death behind them, it may be necessary to purify the streets. "This may necessitate the burning of grass, the sprinkling of roads, earth, and wooden floors perhaps two or three inches deep with a mixture of chloride of lime and earth, sand, sawdust or soot." (Italics ours.)

General Smuts, eleven months earlier, in an address on disarmament at Sheffield University on October 8th, 1931, said even then that the armaments of the world were greater than they were in 1918, and even more so than in 1914. Europe, with the exception of the disarmed powers, was ready for instant war.

He also was under no illusion as to what would happen in the next "war to end war." He said:—

The armed peace continues in an aggravated form, and, as long as it continues, mankind seems to be marching to some horrible doom.

Unless a real measure of disarmament puts an end to the armed peace we are making for another cataclysm which will be infinitely worse than the horrors of the Great War.

It will pay scant attention to armies and navies or to the other paraphernalia of war. It will go straight for the populations and for the immense urban aggregations.

It will fight with new unheard-of chemical and biological weapons. It will cover the fair land and the great cities with poison and disease germs.

There will be no escape, not even for the statesmen and the war-makers, and a pall of death will rest over all. Even now the laboratories of three continents are busy with their deadly researches. And in due course some lunatic or criminal will press the button and the power of the human race will be trapped and destroyed.—*News Chronicle*, 9/10/31.

Dealing with armaments, General Smuts said that escape lay along the arduous path of disarmament, which was "the greatest and heaviest task before the League of Nations."

Yet in spite of all the platitudes about disarmament, armaments grow apace. To take the naval side alone, the end of the ten years' battleship holiday is celebrated by the laying down in France of the keel of the battle cruiser *Dunquerque* (*Daily Telegraph*, November 16th, 1932). She will be the most powerful battle cruiser yet built with the exception of H.M.S. *Hood*. She can send hurtling through the air for 23 miles a projectile weighing half a ton. One such cruiser is not deemed to be sufficient, and it is proposed in due course to build two more *Dunquerques*. The report further states that it has been semi-officially intimated that Italy will build a "reply" to the *Dunquerque*. Also, three German pocket battleships are now under construction.

Meantime, the British Government are not lagging behind, and the recent estimates provide an additional £3,093,700 for the navy, and another £1,462,000 for the army.

In the midst of it all, that monument to the hypocrisy of the victors in the last great shambles, the League of Nations, continues its weary way along the path of resolutions, committees, commissions, and reports. Its complete ineffectiveness to stop the settlement of disputes by force of arms was demonstrated long ago in the case of Vilna, and more recently in the case of China and Japan. Evidently the member nations prefer to rely upon their own strength rather than upon the "moral force" of the League.

Seeing that the League of Nations is powerless to prevent wars and equally powerless to bring about any effective disarmament, how can wars be averted?

Briefly, the Socialist case is that all wars by capitalist States are undertaken for the purpose of protecting foreign investments, securing markets for the disposal of the surplus products produced by the workers, and of securing fresh sources of raw material. Judge each war by the result, and it will be seen that this is the result of nearly every war during the last century.

That the workers have nothing to gain as the result of a war, whether the State in which they happen to be born is victor or vanquished, is evident from the state of the labour market in those countries which participated in the last war. In vanquished Germany there are 6,000,000 unemployed workers living on or below the level of bare subsistence, and no one will maintain that in

victorious Britain the workers' lot is very much better, or even in that el Dorado, the United States of America.

The Marxian analysis of capitalist production lays bare the cause of all wars. The worker produces commodities of a far greater value than his wages enable him to buy back. Out of the struggle for this surplus comes the struggle for markets at home and abroad, and with the capitalist development of previously undeveloped countries, tariff walls are erected. The struggle grows keener; finally the tension reaches breaking point, and war is declared.

War is, then, a quarrel between the various sections of the capitalist class over the disposal of the surplus wealth stolen from the workers in the course of their exploitation. It is, therefore, a quarrel in which the workers have no concern, and to end it they must remove the cause, i.e., the class ownership of the means of production. This they can do by organising to capture political power from the master class, and to establish a system of society based upon the common ownership and democratic control of the means of production—in short, Socialism.

RAMO.

AMERICA AND HAITI

Valuable "inside" evidence of the capitalistic aims at the back of the professedly "humanitarian" intervention in Haiti by the U.S.A. was recently revealed by a gentleman who is not at all likely to overstate his case. We lift the following from the *Nation*, New York, January 18th, 1933:

"That the military forces of the United States are merely 'a glorified bill-collecting agency' was the declaration of Major-General Smedley D. Butler, U.S.M.C., retired, before a Brooklyn forum, according to the New York *Herald-Tribune*. He related further that he had been 'canned' in Haiti because 'I didn't want to make the Haitians raise sugar' for a New York bank. . . . The authorship of this testimony makes it valuable. General Butler served extensively both in Nicaragua and in Haiti. He was reputed to be the roughest of all the treat-'em-rough marine officers. The *Nation* has long contended that the whole Haitian episode was motivated by the desire of American concessionaires to cash in on their dubious investments."

No wonder the Japs give a half-veiled sneer when the U.S.A. protests against their intervention in Manchuria in order to make their economic interest secure. The Haitian affair, and those in Nicaragua and Panama were merely Manchurian affairs on a smaller scale as the Japs have been unblushingly bold enough—in defiance of traditional diplomatic "tact"—to openly point out.

R. W. H.

CRIME: ITS CAUSE AND CURE

"The Times" of 24th February, 1933, quotes a statement by Lt.-Col. W. D. Allan, in the Report of H.M. Inspectors of Constabulary for the year ended 29th September, 1932. He says:—

During the last few years the police have been confronted with new types of crime which might be termed the shock tactic type well known to everyone, and in addition to this, especially in our large industrial areas, offences against property, with and without violence, have been on the increase. I think this is due to a great extent to unemployment and its consequent results, and it is to be hoped that when trade and employment improve, there will be a corresponding decrease in serious crime.

One would have thought that, having been sufficiently discerning as to realise that crimes against poverty are mainly due to the poverty of those who perpetrate them, he would have endeavoured to find some solution to the poverty problem—some means of abolishing poverty, so as to do away with its natural outcome—crimes against property. Unfortunately, such an investigation does not come within the scope of the gallant colonel's duties, and, apart from the pious hope expressed above, he confines himself to recommending changes in the organisation and distribution of the police force, forgetting that so long as the cause remains untouched, all attempts to combat the resultant effects can necessarily result only in changing the form of those effects.

It may be well here to quote two extracts from a speech made by Sir Herbert Samuel, the then Home Secretary, in the House of Commons, on 15th April, 1932:—

It was characteristic of the movement of crime that fewer offences were committed by elderly people. That was partly due to the enactment of old age pensions and to the improvement of social services generally, which had lifted above the level of actual penury a great number of persons.

A second cause in recent years was the economic depression. A chart showed exactly how, as employment rose and fell, crime rose and fell.

(*Daily Telegraph*, 16/4/32.)

Here we have two competent authorities both practically admitting that the major portion of criminal acts (crimes against property) is caused by poverty.

What, then, can be done to abolish poverty? Is it possible to abolish it within the capitalist system? If the capitalist class give the unemployed an allowance sufficiently above starvation level to deter them from taking the risk of infringing capitalist laws, it might also deter them from taking the risk of working! Hence the tendency to limit unemployment payments. Wherever capitalism exists, the aim is to give the unemployed no more than is sufficient to keep them alive.

Hence the poverty of the working class must have its origin in the system of society itself. This system has its basis in the ownership by one class of the means of production—land, mines, and factories—and the production of goods solely for profit, the workers serving merely as instruments in the

mode of production, to be cast on one side when they are no longer wanted. Therefore, to abolish poverty, the capitalist system itself must be abolished.

It is to the interest of the workers to achieve this result. This they can only do by organisation within one party pledged to the overthrow of the capitalist system, and its replacement by a system of society based upon the common ownership and democratic control of the means of production. Such is the Socialist Party of Great Britain, and we invite all those who agree with us to join with us in the common cause.

RAMO.

READERS IN THE UNITED STATES

Readers of the SOCIALIST STANDARD in the U.S.A. are invited to get into touch with the *Workers' Socialist Party* at the following addresses:—

Headquarters, 132, East 23rd Street, New York City.

Local Boston, Mass., FRED JACOBS, Secretary, 113c, Warren Street, Roxbury, Mass.

Local Detroit, Mich., NILS AKERVALL, Secretary, 70, Ferry W., Detroit, Mich.

Local Los Angeles, Calif., HELEN DYER, Secretary, 8011, Tillie Street, Los Angeles, Calif.

* * *

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the SOCIALIST STANDARD is obtainable.

* * *

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

* * *

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand at 8, Whitehall Buildings, Upper Queen Street, Auckland, where the SOCIALIST STANDARD is obtainable.

* * *

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT

Sunday Tooting Broadway, Garratt Lane, 11.30 a.m.
Tottenham, West Green Corner, 8 p.m.
Victoria Park, 11.30 a.m.

Walworth, Liverpool Street, 11.30 a.m.
Finsbury Park, 11.30 p.m.
Clapham Common, 3.30 p.m.

Prince of Wales, Harrow Road, W.9. 7.30 p.m.
Ridley Road, Dalston, E.8. 8 p.m.
Highbury Corner, N.8. 8 p.m.

Tottenham, West Green Corner, 8 p.m.
Bethnal Green, "Salmon and Ball," Cambridge Road, E.8. 8 p.m.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to Reynolds, 57, Weymouth Terrace, E.2.

BIRKENHEAD.—Communications to H. Dawson, 58, Willmer Road, Birkenhead, Cheshire.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets at above every Thursday, at 7.30 p.m.

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Communications to Sec., at 396, Heathway, Dagenham, Essex. Branch meets Pettis' Farm, Heathway, every other Tuesday (commencing 7th March).

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 7.30 p.m. at 141, Bow Road, E.3.

ECLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GATESHEAD.—Secretary, Edmund Howarth, 12, Egremont Drive, Sheriff Hill, Gateshead. Branch meets Fridays, 7.30 p.m. to 10 p.m., at Socialist Club, 25 Royal Arcade, Newcastle. Lecture or discussion after branch business. Non-members invited.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Fridays in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., J. Rodgers, 136, Rockingham Lane. Branch meets alternate Mondays, 7.30 p.m. at 182, Ellesmere Road. Non-members invited.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest Street, E.1. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets alternate Fridays at 8 p.m., 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 15, Haverhill Road, S.W.12.

TOTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain

HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

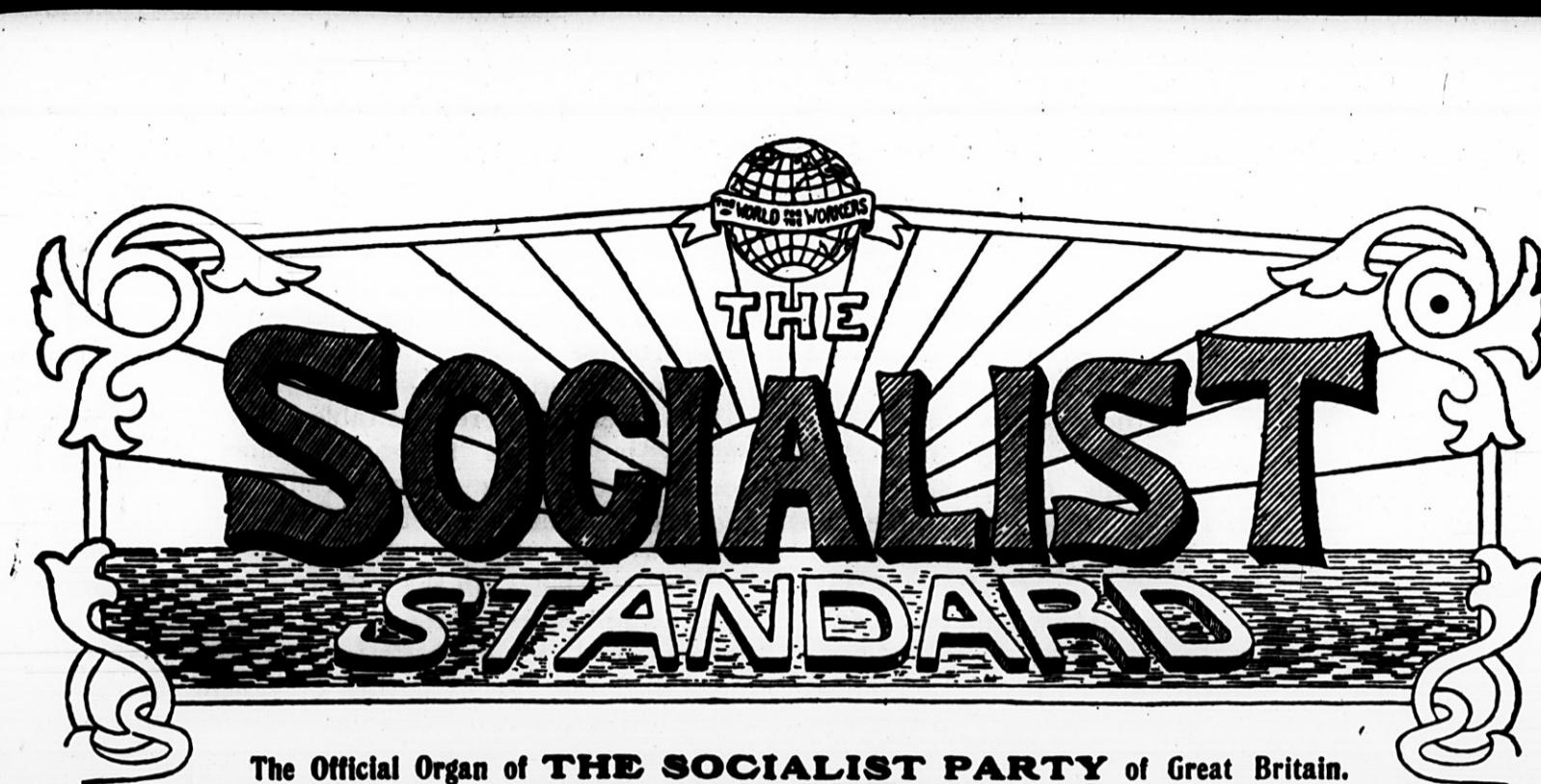
Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

Branch Directory—continued.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

No. 346. VOL. 29]

LONDON, JUNE, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

HOT HEADS AND HITLERISM	145	"BEDTIME STORIES"	153
THE DOUGLAS SCHEME	148	RAILWAY WORKERS LET DOWN	155
POLITICIANS AT PLAY	152	RUSSIA AND UNEMPLOYMENT	156
SOME QUESTIONS ON PARLIAMENT AND LOCAL GOVERNMENT	153	THE CHURCH AND THE SLUMS	159
		BRANCH DIRECTORY	160

Hot Heads and Hitlerism

SOME OBSERVATIONS ON UNITY

Whatever else Hitler may or may not succeed in doing he can certainly claim that he drove many of his opponents in England into a mental condition bordering on hysteria. Scenes reminiscent of the short-lived war-time "brotherhood of capital and labour" are being re-enacted. Prosperous Jewish traders may be seen hob-nobbing with Communists at anti-Hitler demonstrations. Bellicose "pacifists" barely stop short of demanding immediate war. Labour M.P.s who have for years agitated for the revision of the Versailles Treaty in Germany's favour now press the Government to give an undertaking that nothing of the kind shall be allowed to happen. The spokesmen of the Liberal, Labour and Conservative parties are for a while almost harmonious in their mutual agreement to dislike the new Germany. And at the rear of the procession the I.L.P. and Communist Party bawl "united front" with a fervour which may disguise from some simpletons how diminutive is their following but which has so far completely failed to snare the more wily old birds in the Labour Party and Trades Union Congress.

All of which is by way of introduction to the serious question what ought we to do in face of

the rise of movements such as that led by Hitler. What shall we answer to the plea to sink all differences and unite the workers against any such movement in this country? At first sight it may appear that the question does not need a second thought. It will be asked, "How can there be any objection to uniting the workers against a movement the success of which would destroy all independent organisation and propaganda, from the trade unions to the S.P.G.B.?" However, the matter is not so simple as it seems.

In the first place, do the workers want to be united against Hitlerism? The answer as regards Germany is that the workers there emphatically did not and do not want to be united against it. Millions of them, employed and unemployed, are among Hitler's most enthusiastic supporters. How else could his party have gone on increasing its vote at one election after another until it reached 17,000,000? It is idle to deny facts like these, and dangerous to base policies on the illusion that Hitler's is an isolated group, imposing itself by naked force on a working class opposed to him and his policy. Let us then face the fact that Hitler in Germany, like Mussolini in Italy, came to power because he had behind him millions of

peasants, small traders and clerical and manual workers. In order to complete this picture by bringing England into it let us next recognise that the great majority of employed and unemployed workers voted for the National Government at the last election. Although in the past two years some voters who backed the National Government will have decided to support one or other of the opposition Liberal and Labour groups, there can be little doubt that the majority still favour the present Government, and no doubt whatever that the Labour group have behind them only a minority of the working class.

The question of organising opposition either to Fascism or to the National Government therefore boils itself down to this: "What prospect is there that a United Front including the Labour Party and the Communist Party could win over a majority to its side?" The answer to the question is that, in existing conditions, and for a considerable time in the future, there is no possibility of such a thing happening.

On the contrary, it is the Labour and Communist Parties of the various countries which in their different ways have helped to drive the workers into their present frame of mind. In many countries since the War so-called Labour or Socialist Parties have been able to take over the Government, either alone or in coalition, or have given their Parliamentary support to Governments supposed to be sympathetic to the Labour programmes. In each case it was argued that legislation would be enacted of a kind beneficial to the workers, and that this would improve the workers' conditions of life and at the same time strengthen the Labour Parties. Nothing of the kind took place. Normal capitalist conditions, particularly the world crisis which began in 1929, shattered the dreams of the Labour leaders, and undermined the popularity of their programmes and parties. Almost everywhere—with greater or less violence—the pendulum has swung away from Labour parties and back to parties appealing to conservative and nationalistic prejudices—among them the "Fascists." We need not seek far for an explanation. Those who voted "Labour" knew little or nothing about the basic capitalist economic problems, all they knew was that they were promised work and wages and social reforms; instead of which what they got was "economy campaigns," persistent and then rising unemployment, and falling wages. In their subsequent stampede away from the Labour parties many of them have rushed headlong after new leaders like Hitler—attractive because he has not yet been tried and found out.

These Fascist movements have been encouraged by the Communist propaganda of rioting and civil war. The workers having once put their trust in Labour parties, whose chief appeal was that they were going to introduce drastic economic and

political changes, do not in their disappointment turn towards the Communists whose appeal is for still more violent changes, but towards the men who promise to give prosperity by methods of "discipline and order."

If then it were desirable to organise anti-Fascist movements the only chance of success would be to throw overboard the Labour Parties and the Communists. Their presence would be a hindrance, not a help.

While we are on the subject, it is worth while looking into past experience to see what the Labour Parties and Communist Parties have achieved when faced with the rise of parties of violent repression. First there is Italy. In that country, after the War, there were groups in the trade unions and the so-called Socialist Party corresponding roughly to the Labourites and Communists in every country. Both groups professed to aim at a more or less distant and vaguely defined Socialism, but both put forward a list of "immediate demands" which was the real basis on which members and supporters were attracted. Their chief distinguishing features were that while the "right wing" group stood for compromise with Liberal Governments, the other preached armed revolt and civil war. At no time was the backing for the two groups a majority of the population, nor did the backing consist of voters who understood Socialism.

Each group confessed to understand how to prevent Mussolini from coming into power, yet their activities, including the disastrous seizure of the factories in 1920, were directly paving the way for that event. As Fascism grew there came a point—repeated in Germany in 1932 and in Austria in 1933—at which the openly capitalist Government of Italy invited the support of the so-called Socialist Party to keep the Fascists out. The Communist wing refused and demanded aggressive action against Fascism, just as they did in Germany eleven years after, and are doing now in Austria, England and elsewhere. The non-Communist group favoured accepting the offer of the Italian Government. The result was that the two groups separated. The Italian trade unions and the Socialist Party were each split into two more or less equal factions, free to take action on the lines they desired. Events soon showed that both of them were in practice utterly helpless in face of the growing support given to Mussolini by the peasants and workers. Neither compromise nor street-fighting availed against the growing popularity of Fascism. Both groups were crushed with ease after Mussolini gained control of the machinery of Government and the Army and Navy.

When Von Schleicher was Chancellor of Germany in 1932, a similar situation faced the German Social Democratic Party. Should they support him in order to keep Hitler out? Inclination said "yes," but always there was the fear

that the Communists would make capital out of it and win over many Social Democratic voters. In Austria, at the time of writing, the Austrian Social Democrats are torn in two over the same issue. Shall they support the openly capitalist Dr. Dollfuss in order to keep out the Nazis? And if they do will they lose members to the Communists?

It is one of the ironies of politics that the parties of political compromise should thus get caught in a trap fashioned by themselves. First, their past associations and compromises with capitalism and capitalist parties made them weak and unpopular in a period of world crisis. Like all who have helped to administer capitalism they get blamed for the crisis. Then comes the critical moment when they have to decide whether to support a capitalist government, knowing that their refusal will open the door to violent repression by another capitalist party, the Fascists; but having built up their parties on the support of voters who can be easily swayed one way or the other, the leaders cannot make up their minds. All their theories of political bargaining and compromise indicate that this is the time when compromise is absolutely essential, and refusal to compromise suicidal. Yet in Italy in 1921, and then in Germany in 1932, they see their parties torn in two. They lose control at the crucial moment and take the road of indecision that leads to destruction. The Austrian Social Democrats are now hesitating at the brink of the same precipice. The British Labour Party faced it in 1931.

That will always be the fate of those who build up membership on a programme of reforms instead of on an understanding of Socialism. An organisation of the latter kind would never create the situation from which there is no possible outcome except the choice between final compromise with capitalism, and refusal leading to violent suppression; for a genuine Socialist party would never take on the task of administering capitalism. Nor would it provoke violent reaction by attempts at armed revolt and preaching civil war.

In Hungary the position in 1919 was slightly different. Capitalist political manoeuvring allowed a Communist minority to seize power for a brief period; leading to fifteen years of savage suppression by the Government which succeeded the Communist dictatorship.

If then we ask the Labour Parties and Communist Parties what are their credentials and what guarantee they can offer that either of them can stop Fascism, all they can reply is that they failed in Hungary, in Italy and in Germany, that they are now about to demonstrate their failure in Austria. If the workers let them they will repeat their failure in Great Britain.

Another widely accepted notion which requires looking into is the ready assumption that the brutalities of Hitlerism are unique and "unheard

of." Unfortunately they are only too common all over the world, and if anyone has not heard of similar brutalities elsewhere that is only because the Press has not chosen to give them such publicity. Where indeed is the country which can show a clean record? France has the slaughter of the Communards in 1871 to answer for, and the inhumanities of the French penal settlements. Italian Liberals say that shocking brutalities are still being practised on political prisoners in Italian prisons, as is also true of Poland, Hungary, Rumania and other European countries. Indian Nationalists say that they can sympathise with the German victims of Hitlerism because they are subjected to similar violent suppression themselves. Then there are the recent exposures of the American "chain-gangs" and other prison horrors, and the reports of ill-treatment of political prisoners in the prisons of the Spanish Republic. In short, the world is too full of such brutality to make Germany unique—it is only the most recent of a long series scattered over the whole world.

In particular, what of the German Social Democrats and the Communists? Are their hands clean? Has everyone forgotten the methods used by the Social Democrats to suppress the Independent Socialists and Communists in the early post-war years?—the shootings and imprisonments which made infamous the Social-Democrat Noske, Minister of Defence in 1919-1920?

On what grounds, moreover, do the Communists protest against violent repression? Have they not practised and justified similar methods in Russia? If anyone has any doubts as to the views of the Communists he should read what was their "text-book" on the subject, Trotsky's "Defence of Terrorism," published in 1921 (i.e., when Trotsky held high office and long before he fell out of favour). In Germany, Hitler has suppressed or taken over all the Social Democrat journals, and all the independent trade unions. He has seized the funds of opposition political parties and allows them to exist only on sufferance and under conditions of the utmost difficulty. How does this differ from Russia, where no independent political party or paper is allowed to exist at all, whether capitalist, social-reformist, or Socialist? The Russian Bolsheviks in 1918 promised a Constituent Assembly in Russia. As soon as it met they suppressed it by force of arms and imprisoned opposition members. Now they protest because Hitler prevents the Communists from sitting in the German Parliament and puts them in prison.

The Communists, with their tongues in their cheeks, protest against Hitler suppressing the Social Democrats. One of the parties suppressed by Hitler is the reformist Russian Social Democratic Party, which had its headquarters in Berlin because it had been suppressed and exiled from Russia by the Bolsheviks! Everyone knows that

if the Communists obtained power in Germany to-morrow and copied Moscow, the German Social Democrats, as well as any Socialist movement, would be suppressed outright, not being allowed even the precarious existence which Hitler at present allows the Social Democrats.

Kautsky, now a leading member of the German Social Democratic Party, in his book, "Terrorism and Communism" (1919), said all that needs to be said about the claim by the Social Democrats or the Communists that they are defenders of political liberties and opponents of repression. He speaks of the post-war so-called Socialist Governments in Germany and Russia, and of the "bloody terrorism" practised by them. He continues:—

The Bolsheviks in Russia started this, and were in consequence condemned in the most bitter terms by all who did not accept the Bolshevik standpoint. Among them are the German Majority Socialists. But these latter hardly felt their own power threatened before they resorted to the same means practised by the Regime of Terror which have characterised the Revolution in the East. Noske has boldly followed in Trotsky's footsteps. . . .

("Terrorism and Communism," National Labour Press, 1920. Page 1.)

Of course both the Social Democrats and the Bolsheviks hid behind the plea that "the end justifies the means," forgetting that the means must play an important part in determining what the end will be. The answer to their plea is contained in the present desperate and gloomy prospects of the two countries. In spite of Hitler's wild promises, and the equally wild promises of Russia's rulers, the workers in both countries have nothing before them in the near future except that which capitalism has to offer, and in the meantime Socialist propaganda has been made extremely difficult. In both countries the Socialist movement is hardly even in its infancy. When it does progress it will be on the lines laid down by us, avoiding on the one hand the bog of reformism and compromise, and on the other the reactionary breeding policy of armed revolt and civil war, and the policy of repression of opponents when political control has been achieved.

The Socialist Movement must be independent and uncompromising. It must also stand firmly by democracy, by the methods of Socialist education and political organisation, and the method of gaining control of the machinery of Government and the armed forces through the vote and only with the backing of a majority of convinced Socialists. Neither now nor in the future could the Socialist Movement join hands with its Labour and Communist opponents in a so-called united front.

H.

Notice

Owing to pressure on space replies to a large number of correspondents are unavoidably held over, and a lengthy article from the Socialist Party of Canada.—ED. COMM.

The Douglas Scheme

(Continued from May issue)

How Major Douglas Discovered Capitalism

The origin of the Douglas theory has been explained by Major Douglas in this way. Out in India, before the war, he was struck by the way in which building operations were held up from time to time by "financial considerations." It appeared to him that if raw materials, human labour, tools and machinery, etc., are available it ought to be possible to go ahead with production to meet human needs. He was led to examine this problem and eventually put forward his theory of a permanent deficiency of purchasing power. In its simplest form the proposition is that a factory, or other productive organisation, makes payments under two heads:—

- (a) "All payments made to individuals (wages, salaries, and dividends)," and
- (b) "All payments made to other organisations (raw materials, bank charges and other external costs)."

Then Major Douglas says:—

"Now the rate of flow of purchasing power to individuals is represented by (a), but since all payments go into prices, the rate of flow of prices cannot be less than (a) plus (b). Since (a) will not purchase (a) plus (b), a proportion of the product at least equivalent to (b) must be distributed in the form of purchasing power which is not comprised in the description grouped under (a)."

(See evidence to MacMillan Committee.)

This is the "kink" which Major Douglas professes to have discovered in the money system. It is wholly imaginary. Major Douglas is looking at only half of the process of production and sale. It is quite true that the money paid out in the form of wages, salaries and dividends in any week or other period will not be sufficient to buy all the products placed on the market by a particular firm, or by industry as a whole, but it does not have to do so. In any given week the persons with cash and bank deposits with which they can purchase goods, do not consist only of people holding unspent wages, salaries and dividends. It also includes persons (and companies) who have just received payment for raw materials and finished articles which they sold and delivered some time previously (in the previous week or other period) and who are now in the market buying finished products and more raw materials, partly for personal consumption and partly for further production.

Going back to our underlying picture of capitalism as a process of the production and the sale (or exchange) of articles whose values are determined by the amount of labour required in their production, although the price of an individual commodity need not be the same as its value, the sum total of all values is identical with the sum total of the prices at which all the goods actually sell. The total "purchasing power" in existence at any given time is the sum total of all

the values and, therefore, cannot be more or less than the commodities in existence because the two things are the same. To say that there is a "deficiency of purchasing power" is like saying that the total values or prices of all the goods in the market is greater than the total values or prices of all the goods in the market; or like saying that there are goods in existence which have value but which cannot be exchanged for other goods having value—which is absurd. What are they? Who owns them? Neither Major Douglas nor anyone else can tell us, because they do not exist.

What Major Douglas has tried to explain does, it is true, need explaining, i.e., certain aspects of trade depression and unemployment.

Some Aspects of Trade Depression

It is not necessary to go into all the causes and symptoms of trade depression, as that would take us far beyond the point necessary to deal with the Douglas theory. The following points will suffice.

There is at the best of times always some unemployment. There is, for example, always a margin of unemployment due to workers leaving one job for another, or displaced by machinery, or thrown out of employment by an article going out of fashion which causes the industry to close down. There is under capitalism a permanent need for a "reserve army of unemployed." Rent, interest and profit can only be paid provided that there is an income for the investors, i.e., a sum over and above the amount invested. In other words, capitalist industry can normally function only if the workers produce goods having value in excess of the value of the goods required for their own maintenance. If that surplus disappears in any particular firm production soon stops. How can the workers be compelled to accept a wage which is low enough to leave a surplus? The Government, under the control of political parties with a mandate to safeguard the present order of things, protects the ownership of the means of production and distribution, and prevents the workers from taking possession. Being thus deprived of the opportunity of supplying themselves directly with the necessities of life, the workers are faced with the alternatives of stealing or begging, or living on the bare margin of subsistence on unemployment pay, or of accepting employment on terms to which the employers will agree. If life on unemployment pay were to be made sufficiently agreeable, wages would be forced up because the number of workers seeking employment would decline. The surplus out of which rent, interest and profits are paid would then disappear. Hence the truism that some margin of unemployment is a necessary pillar of capitalist industry. Labour-saving machinery and methods keep renewing this margin of unemployment.

Nevertheless, in periods of "good trade" there is a more or less close approximation to full employment. Thus, in 1929, when it was customary to bemoan the high level of unemployment, nine workers out of every ten were actually at work.

As was pointed out in the first part of this article (see May SOCIALIST STANDARD) the workers are engaged in producing articles of three main kinds, (a) articles for their own consumption, (b) articles for the employers' consumption, and (c) articles needed for the extension of the means of production and distribution (e.g., new and enlarged factories). In times of good trade, as fast (or nearly as fast) as the various kinds of articles are produced and put into the market, they are bought and taken out of the market. Production and consumption are fairly closely in harmony, and there is not acute "over-production."

Then periodically comes a time of "crisis," when consumption fails to keep up with the old rate of production, prices and profits fall, production is curtailed and men are thrown out of work in large numbers. Once the crisis has begun it is aggravated by the fact that consumption by the workers is further cut down through unemployment and reduced wages. This curtailment of consumption is *forced* on the workers. Another curtailment—the curtailment of consumption by the employers, is not strictly forced by lack of means to buy, but is in a sense a voluntary curtailment; it is due to the fact that in times of "crisis," owing to a feeling of insecurity, wealthy people decide to reduce their luxury expenditure.

There are many factors which may combine to cause a crisis. They may be lumped together under the description "factors which dislocate the market." Wars, revolutions, stock exchange slumps, an excessive volume of production of one or more articles (e.g., an unexpectedly big wheat or cotton crop), strikes and lockouts, labour-saving machinery, new inventions—all of these may help to upset world markets by causing a fall in demand or an increase in supply, by depressing security prices, or by causing sudden rises or falls in the prices of particular articles, or (if the value of gold is affected) by rises or falls in the prices of all articles. But whatever the causes may be the general underlying picture of production and consumption during a crisis is the same. The owners and controllers of the means of production and distribution are saying, in effect, to the workers: Because we cannot see the prospect of making a profit we have for the time being curtailed the output of our factories, and our plans for extending our factories, and also our own personal consumption of goods. We shall therefore not need the services of large numbers of you. Millions of workers then having been deprived of their employment and their consumption accordingly reduced, the employers still further curtail the production of

new articles, while they consume the abundant unsold supplies which have accumulated.

The Douglas theorists (who naturally receive more attention during a crisis than at other times) explain the depression by saying that there is insufficient purchasing power to take the goods off the market, and add that this is all due to the abuse of their power by the banks. Yet it is not because the banks have or have not done certain things that those who need goods but are poor cannot get them, it is because they are poor. It is because the goods and the means of producing them are owned and controlled by the propertied class, with the backing of the police and the armed forces. There is no lack of purchasing power for society as a whole, but a concentration of purchasing power; not in the hands of the banks alone, but in the hands of all who own and control.

How true this is can be clearly seen from the activities of the State during times of crisis. Although members of Governments frequently make the same kind of panic statements about "universal poverty" during a crisis as are made by the business men who demand lowered taxation because "they cannot afford to pay," the measures taken by Governments to alleviate the misery caused by unemployment belie their statements. Although production declines during a crisis all Governments are forced to take steps to transfer purchasing power from the rich to the unemployed to enable them to live, and as the amount of unemployment grows so the amount of purchasing power transferred in this way also grows. In other words, the purchasing power *does* exist, and it is only one section of the population which is largely or very largely deprived of it. Looking below the surface to get a true picture of the State grants and charitable gifts to the unemployed we see that the property-owners are in effect allowing the unemployed to consume part of the accumulation of goods free of cost. In U.S.A., where a general system of unemployed pay is lacking, the Government has actually distributed enormous stocks of cotton and wheat, to be made into clothing and bread for the unemployed workers and ruined farmers. We see here how crises could be avoided.

If the means of production and distribution were taken out of the ownership and control of the employing class, and placed under the control of society, production would be planned instead of being haphazard, goods would not be produced by independent producers each unaware of the plans of the others. If surplus goods of some particular kind were produced they would not derange the consumption and production of other goods, and workers temporarily not engaged in production would not be penalised by semi-starvation. (This of course does not mean the so-called Planning in

Russia, for there the basic conditions are capitalistic, not Socialistic.)

So much for the general principles underlying the Douglas Theory. It may be remarked that there appears to be precious little theory about it. This is true. There is really nothing in the Douglas theory except the one total fallacy. Nevertheless a large number of subsidiary errors have been evolved or borrowed by the Douglasites. They are worth dealing with, because, quite apart from their having been taken up by Major Douglas, they are to be found in all kinds of other useless and harmful movements.

Some Fallacies of Major Douglas

One is a fallacious theory about the working of the banking system. Basing their belief on a statement made by Mr. Reginald McKenna, Chairman of the Midland Bank, the Douglasites believe quite literally that Banks possess an inexhaustible power of "creating credit" by the simple device of making book entries. They think that banks lend what they have not got to business men for the purpose of financing production; that the business men deposit the loans in the banks, thus making more deposits; that there is no limit to it; that it is done without cost to the banks; and that all our economic problems could be solved by the simple device of the banks giving away money free to the general public, under the name of "social credit."

The whole thing is a colossal myth. In the first place, if the Douglasites would only take the trouble to read what McKenna actually said in the addresses reprinted in "Post-War Banking Policy" (Heinemann, 1928. 7s. 6d.) they would realise that he never for a moment meant what they thought he meant by the statement that "every bank loan creates a deposit." He did not mean that something is created out of nothing. For example, in a loose phrase, but one which most people have no difficulty in understanding, he says (p. 4): "Anyone who takes notes out of his note-case and pays them into his bank creates a deposit." This sufficiently indicates what Mr. McKenna means when he says "creates."

On page 8 he says:—

Traders sometimes assume that banks have an unlimited power of making advances. They forget that every advance made by a bank comes out of the bank's cash resources. It is true that advances return to the banks in the form of fresh deposits and thus restore the bank's cash resources to their former level, but the result is to leave them finally with additional liabilities to their depositors without any addition to their bank cash.

On page 93 he refers to the notion that the banks or the Bank of England "can create or destroy money," or "increase or diminish wealth," and says: "I need hardly say nothing of the sort happens. A bank loan creates a deposit and therefore it creates money. But the deposit is a liability of the bank against which a debt is due

to it, and the bank merely stands as an intermediary between the depositor and the borrower."

All that is done by the banks when they create money is to increase the amount of debts due to and from themselves.

The late Mr. Walter Leaf, Chairman of the Westminster Bank, in his "Banking" (Home University Library) was even more explicit in ridiculing the whole idea.

The fact is, as Mr. McKenna pointed out, that banks are merely intermediaries between one set of property-owners and another set. They place purchasing power or command over goods belonging to the depositors at the disposal of the bank's borrowers. They naturally do not lend money without security in the form of a hold over the property (the factory or stock of the borrowing firm). In effect, as was pointed out in the first article (see May SOCIALIST STANDARD) the business man who borrows from a bank on the security of the assets of his business is in the same position as the man who pledges his watch at a pawn-broker's. The bank does not "create" the money it lends to the borrower. Like the pawnbroker, the bank cannot lend what it has not got. The difference is that the pawnbroker works on his own money, while the bank works on borrowed money (i.e., the money deposited with it).

At the MacMillan Committee ("Committee on Finance and Industry") in 1930, Major Douglas claimed that Mr. McKenna, who was a member of the Committee, agrees with this notion about banks creating credit. Major Douglas, therefore, argued that it was not necessary for him to prove the theory. Major Douglas pressed his view that the banks "create credits" at no cost, by book entries and loans to industry. Mr. McKenna (Question 4423 and 4425) had to explain to Major Douglas that the banks paid (at that time) an average of about two per cent. or three per cent. on money deposited with them. It was here that Mr. McKenna added, evidently with good reason, "Possibly you are not familiar with the working of the banking system."

This entirely disposes of the claim that Mr. McKenna accepts or works on the theory attributed to him by Major Douglas and his supporters.

Many other Douglasite fallacies were exposed at the MacMillan Committee's inquiry.

The Douglas Theory and Past Crises

The Chairman, Lord MacMillan, put one question which shook Major Douglas badly. He was asked (Question 4380-4388) if he considers that the alleged "inherent defect in our financial or monetary system" had existed for 100 years. Major Douglas said yes. He was then asked to explain why this "inherent defect" has not gone on causing "progressive unemployment and progressive depression" through the 100 years, and why in fact there have been periods of expansion.

Major Douglas was only able to give the lame reply that he would like to look into a particular period to give an answer (Question 4386) and that he thought the rate of increase in productive capacity could have been greater had this alleged defect not existed.

Neither answer meets the question, and nothing in Major Douglas's statements of his theory will really serve to explain the known alternation of trade expansion and trade depression.

Major Douglas was evasive when he was asked to say what are his practical remedies. He has been studying the question for 18 years or more, but replied (Question 4389): "Well, I am afraid my training and experience as an engineer makes me want to hedge on that point. I would say that what I should first want to do would be to examine the situation very closely—more closely than in my position I am able to do."

When pressed to explain at least the principles of his remedies, he said (Question 4432), that whereas now a person pays, say, £100 for a motor car, he would under the Douglas scheme pay £75, and the other £25 would be supplied by the Treasury, via the Bank of England. When asked where the Treasury would get the £25, Major Douglas could only keep on repeating his strange delusion that the banks have the power to "create credit" out of nothing, and without cost except the cost of making book-keeping entries.

It is true that Major Douglas, even without being a banker, can write down at no cost except that of ink, pen and paper, fabulous sums purporting to represent wealth, but he has never explained how bread and boots and bricks and motor cars can be extracted from a fictitious fund of that kind.

In a concluding article some other fallacies of Major Douglas will be considered.

H.

(To be concluded.)

NOTICE OF LECTURES.

BLOOMSBURY.

Fridays.

Lectures are given each Friday evening, at 8.30 p.m., at the

AMALGAMATED ENGINEERING UNION HALL,
39, Doughty Street (corner of Guildford St.), W.C.1

READ . . .

"WHY CAPITALISM WILL . . . NOT COLLAPSE . . .

Our View of the Crisis.

16 Pages 1d.

Post free 1½d.

Send for a copy.

OFFICIAL NOTICE.

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 3d.

The Socialist Standard



JUNE,

1933

Politicians at Play

Some politicians are having great times these days. Globe trottings and festivities of one kind or another fill up a good deal of their lives. One moment in New York, another in Rome, then Paris, Geneva and London. Smiles and pow-wows and the fleshpots of Egypt!

An International Economic Conference is shortly due in London. It is the twenty-eighth international conference since the end of the War, and the third with almost identical agendas. Two years have passed since the present conference was suggested.

These periodical conferences are heralded as wise and inspiring attempts to grapple with economic chaos. In fact, they work out into games of "beggar-my-neighbour." On the whole, they are inspired by a wish to escape some of the consequences of the economic system out of which the capitalists, as a class, thrive. The number of the conferences that have been held without fundamentally easing the situation are the measure of their failure. So far it has not been found possible to overcome the difficulties arising from the contradictions in modern society and the economic antagonisms, mutual suspicion and avarice behind the participants in these conferences.

The underlying problems and aims of each section are enshrined in clouds of unctuous phrases—mostly vague enough not to commit those responsible to any definite line of action.

The present conference, like others, has been preceded by a "Disarmament Conference"—this time at Geneva. But this is really just a "feeler"

and a piece of window dressing. It is true the burden of armaments represents a very real question to the capitalists as a whole. Those outside armament production look upon it as an ever-growing expenditure in a wasteful direction, and the taxes periodically raised for the purpose are not borne cheerfully. Hence the vain clamour for the cutting down of armaments to a point compatible with the keeping of internal "law and order"—keeping the worker in his place!

The draft agenda to the forthcoming world economic conference, submitted by the Preparatory Commission of Experts and published by the *Economist* as a supplement on January 28th last, indicates the main problems that are the subject of discussion and the conditions that have brought them to the front.

In the introduction the Commission points out:—

(1) That unemployment has reached a figure conservatively estimated at thirty million workers and that this does not include the workers' families or other dependents.

(2) Wholesale commodity prices—expressed in gold—have declined since October, 1929, by roughly a third; raw material prices on the average by fifty or sixty per cent.

(3) World stocks of agricultural products and other raw materials continue to accumulate. The index of world stocks for 1932 was double that for 1925.

(4) Industrial production has been drastically curtailed, particularly in those trades producing capital equipment. The United States' steel industry at the end of 1932 was operating at only ten per cent. of capacity.

(5) Currency disorders and new governmental interventions had restricted the international flow of goods. The total value of world trade in the third quarter of 1932 was only about one-third of that in the corresponding period of 1929. The amount of goods in foreign trade had fallen by twenty-five per cent. The largest fall on record.

(6) As a result of the above factors national incomes in many countries had fallen by more than forty per cent., and the revenues of governments had suffered sharp reductions, while expenditures have not shown a corresponding decline. Hence the general budget deficits.

Let us put the essence of the above problems in another form: World stocks of food products have accumulated to a point where the market is choked with them; industrial production has been drastically cut down; millions are on the verge of starvation. In other words, the giant means of production to-day that could assure to all a sufficiency and to spare of the products they need are slowing down because they have outstripped the needs of those who can pay for the products.

The only way out of this international muddle that the experts recommend to the Conference is:—

The restoration of an effective international monetary standard; regulation of exports or production; internal measures to stabilise budgets and economic systems; and greater freedom of international trade.

Yet the source of the problems and their solution is simple. Stocks have accumulated because the means of production are privately owned and the products are only sold for the benefit of the private owners. Socialise the ownership of the means of production and stocks will disappear through being consumed by those who need them.

The solution is old, yet still awaits application. Socialism is the only permanent solution to the world's economic problems—but it is not on the agenda for the International Economic Conference!

Without Comment

The following appeared in the *Sunday Express* (April 23rd):—

BEDTIME STORIES.

"The depression has produced some queer happenings in the show business, but the height of something or other is the story in this week's *Variety*, the American showman's bible, about a certain super-cinema in New York.

"The permanent stock chorus-girls at this palazzo receive less than the minimum scale allowed by Chorus Equity, although they often work fifteen hours a day.

"They also have to conform to a number of house rules, of which No. 10 is that they must not intermingle or converse with male members of the show.

"The other week this notice was pinned up on the board:—

"There will be a cut of 10 per cent. in chorus salaries effective April 6th, at which time Rule No. 10 will be suspended."

The Socialist Party of Great Britain
AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

HOW TO GET TO HEAD OFFICE.

Great Dover Street is a turning out of Borough High Street, near Borough (Underground) Station. The station is on the line from Morden to Hampstead and Highgate, and lies between the Bank Station and Elephant and Castle.

Some Questions on Parliament
and Local Government

To the Editor.

(1) It is doubtful if any body of men could gather together who are agreed upon every detail of policy, but it is essential that there should be unanimity as regards general principles if they are going to make any headway. History records the fatal consequences of dissension at critical moments, hence it is advisable that the S.P.G.B. should analyse its position before the time arrives in which it secures Parliamentary representation. Obviously the return of a single member will not alter the character of the legislation, all that it will convey is the fact that the majority of a certain constituency have registered their disapproval of the capitalist system and a desire to replace it with Socialism. Yet this stage would mark a grave step as regards the rôle that the S.P.G.B. would play in the advancement of Socialism. To say exactly what should be the attitude of the first Socialist Member of Parliament towards the questions of the day almost amounts to Utopianism, and how far we are justified in anticipating the event it is difficult to say, but such a situation is likely to arise, otherwise the S.P.G.B. might as well abandon its programme and become a mass of non-effective units. We are all familiar with the process of capturing the ear of the working class. The Reformist Parties achieve their object by promises of immediate Reforms under the heading of a meantime policy. The S.P.G.B. denounces the Reformist Parties for the reason that their policy, instead of realising Socialism, merely perpetuates Capitalism. But at the same time, Reformist Parties, representing as they do a certain section of the community, are acting quite logically in formulating and supporting reforms in the House of Parliament. The pseudo Revolutionist who makes the excuse that he associates with the Reformists so that he can push forward his revolutionary theories is either a conscious fraud or politically superficial. In any case the results are the same. If, as a Member of Parliament, he ceased to support Reforms, he would not be re-elected, and there is no reason to suppose that a M.P. elected on a Revolutionary policy and who yet supported Reforms would survive another election. It should be apparent by now that Reformism is a failure, but the pity of it is that the working class are often inclined to listen to the men who have advocated this policy. These artful fellows suggest that the Parliamentary system has broken down, whereas it is the economic consequences of their policy which is the root of the trouble. Such being the case the lesson should be driven home upon the working class that all Reforms are but the reflection of capitalist interests intent upon preserving the economic *status quo*, that it is not only a waste of time but actually playing the capitalist game to support any Reform however pretty it may appear. The best analogy that I can think of is the story of the travellers in a sleigh in the arctic regions pursued by a pack of wolves. Driven to extremities they abandon provisions, crippled dogs, and even members of the crew to appease the hunger of the pack, that the remainder may reach safety. Hence it need not worry the Revolutionist. The stricter in his adherence to his policy the more frantic becomes the desire of the capitalist class and their supporters, the Reformist Parties, to avoid the consequences of their system. The Revolutionist's attitude toward these Reforms should be that of scorn and derision, never supporting the most far-reaching Reform that can be conceived, for none of them can solve the social problem, as to be associated with them in any shape or form must of a necessity bring discredit, as they can at best but spread out the misery.

(2) Arising out of this attitude comes the delicate position of the S.P.G.B. and participation in Local politics. How the S.P.G.B. can administer a capitalist institution and avoid that economic miracle of serving all classes in society baffles me. What surprises me more is that the members of the S.P.G.B. have not realised the absurdity of their position in this matter. It was the illogical loose-thinking "Glasgow Greenism" that wrecked the S.L.P. more than anything. To transfer the venue to Poplar, etc., does not alter the principle that a Local body under Capitalism cannot function other than within the ambit of Capitalism, but a national assembly such as the Parlia-

ment can with a majority transform the economic structure of society.

Yours,
PRECISION.

Reply.

The criticisms made by our correspondent in his letter have been put and answered on several occasions in these columns. Part of the ground was covered in the issue for September, 1932. For convenience we have numbered the separate parts of our correspondent's letter.

First, there are some general observations to be made by way of introduction. Our correspondent confines his remarks about action in Parliament to the question of the attitude of Socialists towards "Reforms," but nowhere does he say what he means by a "Reform." In order to explain our attitude in full, and in order to avoid the criticism that we have dealt with only part of the questions that may arise, we prefer to use the broader term "measures." So that we are setting out to explain what attitude a minority of Socialists in Parliament should adopt towards measures introduced by non-Socialists.

The next point which needs some clarification is the relationship of future Socialist delegates in Parliament to the other members of the S.P.G.B., and to the non-Socialist workers outside the S.P.G.B. The Socialist will take his instructions from the S.P.G.B., he will not be a free agent but an instructed delegate. What he does will be what we tell him to do. And what we tell him to do will be what we, as Socialists, regard as the sound attitude to adopt in any particular set of circumstances, based on the principles of the S.P.G.B., and our knowledge of the interest of the working class. We know and accept the principles on which the Party is based, and those non-members of the Party who vote for Socialism at elections in preference to reformist parties will also know exactly what line of action to expect from the S.P.G.B., whether expressed through delegates in Parliament, or in any other field.

All of this leads up to the point which our correspondent's letter appears to overlook, that is, the important point that if a body of Socialists with their eyes open and in full knowledge instruct their delegate in Parliament to take a certain line of action there is no room whatever for any deception, any misleading of members by the delegate, or any disillusionment on account of the results of that action. (Even if we committed an error of judgment the position would be just the same, the error would be ours, not the delegate's.)

This clearly marks off the Socialist delegate in Parliament from the Reformist. The one is sent there by Socialists only, by men and women who understand where they are going and what use they can make of Parliament both as a minority and as a majority. The other is elected by people who are expecting their representative to do some-

thing for them, and who will be disillusioned and will turn on him when they find that he does not deliver the goods. The Socialist electorate knows precisely what are the limits of action while the capitalists are in control of the political machinery. The reformist electorate does not know the limits and is expecting something which is unattainable.

Now for answers to the two questions.

(1) The first question boils down to this: What should Socialists tell their minority group of M.P.s to do in regard to measures introduced by non-Socialists?

Our correspondent says that "it is not only a waste of time but actually playing the capitalist game to support any Reform, however pretty it may appear."

We reply that this sweeping statement cannot be justified. We say that certain measures introduced by non-Socialists may incidentally possess a value for the working class or for the Socialist movement, and we would accordingly instruct our delegates to vote for such measures, but of course not to make any alliances or compacts with other bodies or individuals. Voting for these problematical measures, however, would not prevent the delegates from criticising them in the same way as our speakers and writers in the SOCIALIST STANDARD deal with them. May we instance measures for stopping or avoiding a war, for reducing hours of work, or for raising unemployment pay.

The danger feared by our correspondent appears to be that reforms will appease the discontented workers (like the wolves) and prevent the growth of the Socialist movement. It should surely be obvious that if reforms could prevent the growth of Socialism then Socialism will never be achieved, and indeed no Socialist movement could ever have arisen. Another danger sometimes alleged is that to vote on a particular measure will confuse the workers in the constituencies. As regards the Socialist voters (as pointed out in the introductory paragraphs) no confusion can arise because the instructions to the delegate are in line with the known principles on which the Socialist electors vote, and emanate from the S.P.G.B. As regards non-Socialist workers, the position after such a vote will be neither better nor worse than it was before, or than it is now. The problem of the non-Socialist is the problem of getting him to understand Socialist principles. The non-Socialist voter may or may not approve of Socialist M.P.s voting for or against some measure in which he is interested, but it is by definition impossible for Socialists' actions to please the non-Socialist; nor should we allow our conduct to be influenced by that consideration. It is the duty of the Socialist to act in line with the interest of the working class and of the Socialist movement, irrespective of what non-Socialist workers may think about it.

(2) Our correspondent's second question differs from the first in that we are now asked to consider the action of a Socialist majority on a local council while Parliament is still controlled by the capitalists.

Again our correspondent ignores the vital difference between Socialists elected by Socialists, and representatives elected by reformists. If a Socialist majority of electors decides to put Socialist delegates on to a local council it will not be because they want "Poplarism" or expect something which cannot be obtained, or because they want the delegates to "serve all classes." If there is a Socialist majority among the electors then the instructions given by the S.P.G.B. to its delegates on the Councils in accordance with the principles of the S.P.G.B. cannot deceive, disappoint, confuse or disillusion the electors. They will have voted for a purpose, expecting nothing else. They will get exactly what they voted for, that is, control of the machinery of Local Government. They will want that control, not for the purpose of "Poplarism" or "administering capitalism," but because they know that "the conquest of the powers of government, national and local," is a necessary step towards achieving Socialism.

When our correspondent expresses surprise "that the members of the S.P.G.B. have not realised the absurdity of their position in this matter," he is in reality only disclosing his own lack of understanding of what the S.P.G.B. stands for and does.

To imply that it was a similar view which wrecked the Socialist Labour Party is entirely misleading. The S.L.P., far from holding our view of the paramount need of conquering the powers of government, national or local, held views completely incompatible with ours.

In case anyone should be misled by our correspondent's concluding remarks, we may as well explain that the S.P.G.B. never on any occasion engaged in or gave its support to what our correspondent calls "Poplarism"! ED. COMM.

Railway Workers Let Down

In February the Irish rail companies posted notices of a ten per cent. wage cut. This, of course, is quite in keeping with the practice of their English *confrères*, and is regarded by the master class as a highly approved method of enforcing "economy" in these hard times. Apparently realising that his existing standard of life is already too low, the Irish rail-roader would not stand for any more reductions, and *en masse* came out on strike.

During the first few days odd paragraphs appeared in the Press that the men were "solid." After some days, however, it appears that some trains were run, as mention was made of "accidents," but the struggle hung on. Later, some

attempt was made to bring the two sides together, but with no tangible results, the companies insisting on their ten per cent. cut, and the men on none.

For some unexplained reason, reports of this dispute were very scanty, and one cannot say with certainty exactly how the struggle went, or what was the degree of solidarity maintained: but time, as usual, wears men and things down, and after some nine or ten weeks, we find the unions and companies have met together to effect a "settlement."

This is quite what might have been expected, as the Easter traffic rush was now close at hand, and preparations for the summer workings have to be made, and no doubt the companies were anxious not to lose the receipts from the Easter "burst." Also, it must be remembered that work has been quiet in Ireland for some time, so up till now the companies could afford to sit "in steam" and wait until the men "ran themselves dry," and no doubt after nine weeks' enforced idleness, the men and their unions were at a very low ebb, and would be likely to seize any opportunity to get started again. Hence, in view of these circumstances, one could almost imagine it a tacit agreement by both sides!—the companies in their anxiety to net their Easter traffic profits, and the men through sheer starvation, and the union leaders with the need to recoup their depleted funds. In these circumstances, a meeting was arranged between both parties on Friday, April 7th, at which it was decided:—

- (1) That a cut of seven-and-a-half per cent. shall operate;
- (2) The annual week's holiday shall now be without pay, instead of with pay, as formerly.

Apparently the N.U.R. leaders signed right away, but the A.S.L.E. & F. leader hesitated a day "to put it to his members."

The settlement does not appear to have gone down at all well with the rank and file, in fact, such is the dissatisfaction that the Dublin men again came out on strike on Sunday, April 10th, at midnight, to enforce better terms. Of course, the strike was "unofficial," and denounced as such by the men's "leaders." In the *Daily Herald*, of April 10th, Mr. Dobbie, President of the N.U.R., commenting on the Dublin decision, is reported to have said:—

"The agreement has been arrived at by the Negotiating Committee and endorsed by the E.C.s, and so far as the N.U.R. is concerned, that must be the policy which must be adhered to."

The paper also stated that Mr. C. D. Walter, Irish Secretary for the Unions, and Mr. J. Campbell, the N.U.R. Irish Organiser, were refused a hearing at a meeting the day before. The Government also took a hand here, although for nine weeks, whilst the dispute ran, "it slept in that eye," and, we read, Mr. S. Lemass, Free State

Minister of Industry and Commerce, requested a deputation of the men to wait on him. They talked for two hours, but "the conversations were abortive." However, "he warned the men that they would not get any better terms by striking." (*Ibid.*)

On Tuesday, April 11th, the *Daily Herald* reported nearly 5,000 men on strike on the Southern Railway, and "no sign of a settlement," but, irony of ironies, also stated that the A.S.L.E. & F. men were reporting "for duty in Northern Ireland, but their services could not be utilised."

There is no doubt that the men have again suffered through putting their trust in leaders.

This is obvious when one remembers that the men were hard pressed by being out nine weeks, and even then rejected the terms and threw their leaders overboard. Meanwhile we see the spectacle (so beloved by the masters) of the rank and file divided, and the G.N. men returning to work, but many of the Southern men still fighting the issue without support by their "leaders."

Not for long, however. Man could not be allowed to run amok in that manner. Their thoughts might "go astray" and they might do damage. And here is an interesting sidelight on how the quack Labour Party leaders can be used in an emergency, or rise to "statesmanship." Realising the temper of the rank and file towards their discredited leaders, we read in the *Daily Herald*, of April 17th, that "Mr. W. Norton, leader of the Irish Labour Party, late last night hurried to the N.U.R. headquarters, and after hearing the strikers' views, got into touch with Mr. Lemass, Minister of Commerce and Industry. This gentleman intimated to Mr. Norton that he would receive a deputation from the men, who saw Mr. Lemass at his private house in the early morning." And we read (*ibid.*) that "shortly before 3 a.m. the following agreement was ratified:—

- (1) Strike to end at once.
- (2) Minister of Industry, if asked by the unions, to ask the companies to meet union representatives to again discuss the holidays without pay question.
- (3) Minister undertakes to take up with the companies the question of lower paid workers' wages with a view to fixing a minimum below which cuts will not operate."

(Maybe here, the English companies' offer of 38s. per week might form a "basis" for discussion.) And we also are told that the Southern Railway gave the Minister an assurance that "there would be no victimisation," and that "the men have gained for their unions the right to reopen negotiations on the points mentioned," and that "it is expected that the N.U.R. and A.S.L.E. & F. will take advantage of this to secure a settlement more acceptable to the rank and file."

How long is the Irish working class going to stand for this sort of thing, repeated time and again? They should study the Socialist position as laid down in this journal, and organise for a system of society where bad conditions of service due to exploitation will be swept away for ever.

C. V. R.

Russia and Unemployment

CRITICISM OF OUR ATTITUDE

We have received several letters criticising the editorial in the May SOCIALIST STANDARD. "Russia: The Land that did not Abolish Unemployment." Two of the letters and our replies thereto are printed below:—

Sheffield.

Dear Sirs,
Re your article on "Russia, the land that did not abolish unemployment" (May SOCIALIST STANDARD), you stated: "Faced with the need of meeting its obligations abroad, the Russian Government had to curtail imports and cut its expenditure."

You then go on to say how this was done, using quotations from *Soviet Union Year Book*, *The Times*, *Manchester Guardian*, and the worst of all, Mr. Gareth Jones' articles from the *Daily Express*.

Of the *Soviet Union Year Book*, I have nothing to say, as it is official statistics; but what of the rest?

Engels considered the *Manchester Guardian* as one of his opponents (see "Condition of Working Class," p. 69), and according to Ponsonby's book, "Falsehood in Wartime," all the three English papers circulated War lies.

In addition to this is the Anti-Soviet propaganda now in full swing from the Blasphemous Matchbox story down to the Moscow trial, these have been answered by the "Labour Research" (p. 4, January issue, 1933), and "Russia To-day" (May, 1933, p. 10).

In the SOCIALIST STANDARD (May, 1933, on p. 140) you ask: "Does a Socialist and working class movement ever expect or receive commendation from the mouthpieces of Capitalism?" I will answer "no," and that is why I refuse the testimony of *The Times*, *Manchester Guardian*, and the *Daily Express*.

Yours truly,
RUSSIA SUPPORTER.
Dagenham, Essex.

Comrades,

Regarding the S.P.G.B.'s principle of "Political Warfare" on all other "Political Parties," I can never understand your attitude towards the Soviet Union. Not one word of praise have I ever read in your STANDARDS towards the Soviet Union. Every article up to now has been what I class as a sneering or mud-slinging article of the same category which the capitalist Press prints from time to time. It gives me the impression that the S.P.G.B. are toeing the same line and rubbing shoulders with capitalist parties and assisting them in their mud-slinging at the Soviet System. The S.P.G.B. never even admits that the majority of people in Russia at the present day are living in far better circumstances than they were previous to the revolution. I should think it ought to be the duty of the S.P.G.B. to assist any party which is fighting the same enemy as themselves. What's the use of trying to pit one worker against the other just because another worker is trying to lay the foundations of Socialism by a different method than the S.P.G.B. preach? This amounts to petty jealousy. One of the means to attain Socialism is by friendship, comradeship, which breeds "Solidarity," and Socialism will never be attained without the "Solidarity" of the worker against Capitalism. As a little proof to the above, take your article on "Russia," in the STANDARD (May, 1933, p. 136). Your heading reads thus: "The

land that did not abolish unemployment"; but you should have added, viz.:— "The Times and Daily Express say so, it must be true." You take the article regarding unemployment in Russia from *The Times* and *Daily Express* as being the truth, just to back up your opposition towards Russia. If this isn't rubbing shoulders with the capitalist and his Press, what is? Is it feasible that you can read the truth regarding Russia from a capitalist newspaper? But the S.P.G.B., whose fight is against the capitalist and his Press, etc., is only too glad to make use of his lying articles, which you, the S.P.G.B., cannot prove to be the truth. You then finish your article with: "Can we now hope that the I.L.P., the Communists and the Labour Party, will be unable to put over any more hoaxes of this kind?" The only proof you have of this unemployment question in Russia being a hoax is from articles you get from the capitalist Press. *What poor proof!* My advice is, if you want proof before you print, send an S.P.G.B. member to Russia to get it. In conclusion, I am not a member of the Communist Party or the S.P.G.B., but just a fair-minded Socialist."

Yours fraternally,

W. J. MOSSLEY.

These two letters raise quite a number of important issues, but in several instances the basis of the criticism is a complete misunderstanding of the attitude of the S.P.G.B. towards the Bolsheviks generally and towards the question of unemployment in Russia.

Let us first answer the letter of "Russia Supporter." This correspondent appears to think that we base our certainty that Russia cannot escape unemployment (and other consequences of capitalism) on statements made by three capitalist newspapers. He is quite wrong. We base our attitude on our knowledge of the working of the capitalist system.

We have on previous occasions pointed out why the undisputed features of Russian industry (e.g., production for the world market, imports from abroad, the wages system, the finance of industry by huge loans at high interest, etc.) must inevitably defeat planning and produce unemployment. The purpose of quoting the statements about unemployment made by the Moscow correspondent of the *Manchester Guardian*, was to confirm with circumstance and detail what we already know to be the effects of capitalism in Russia. But if our correspondents believe that the Russian Government has been able to escape these effects, and if, therefore, they require evidence from official and semi-official journals, such evidence is given below.

Circular No. 188 of March 27th, 1928, headed "Unemployment Relief amongst the Soviet and Commercial Employees," and issued by the "People's Commissariat of Labour of U.S.S.R.," starts off as follows:—

Whereas unemployment amongst the Soviet and commercial employees has taken an acute and constant character, and, as it is impossible within the nearest future to find employment for the employees in their own professions . . .

The English translation, from which the above is extracted, was published in Moscow by the "Union of Soviet and Commercial Employees of

U.S.S.R" in *Information Bulletin*, No. 6 (Moscow Solyanka 12, Dvoretz Truda).

In 1929 the Soviet Union Year Book gave the following details:—

During the last few years the number of unemployed has increased from 848,000 in 1924-25 to 1,353,000 in 1926-27, and 1,374,000 on October 1st, 1928. (p. 465.)

The Soviet Union Year Book for the following year (1930) stated that the number of unemployed on January 1st, 1930, was 1,310,000 (p. 454). (This was the last issue of the Year Book.)

During 1930 unemployment declined, for reasons mentioned in the May SOCIALIST STANDARD, and the more exuberant and unreliable Communist propaganda journals then boasted that unemployment had been permanently abolished.

So far as we know, the Russian Government and its semi-official bodies never went so far as this, but claimed that unemployment had been reduced to low levels—a claim which is reasonable and which we would not dispute.

We find the *Soviet Union Review*, published in U.S.A. by the "Soviet Union Information Bureau," in its issue for January, 1932, referring to unemployment among physicians and other workers. The *Review* said that the problem had arisen of "attracting physicians and other workers to the remote districts. Many graduates have refused to leave the stimulating cities and the society of their friends, preferring to live in conditions of great crowding and existing by precarious means. *It was found necessary to refuse places on the rolls of the unemployed to those who adopted this attitude.*" (Italics ours.)

It will be observed that the method of forcing workers to take up employment in rural areas by knocking them off the unemployment register, resembles the "not genuinely-seeking work" clause which the Communists denounced so hotly in England.

More recently, the Russian Government has been faced with declining markets for their exports and the increasing difficulty of obtaining credits for their imports (see *Bank for Russian Trade Review*, May 1931, and *Monthly Review of the Moscow Narodny Bank*, July, 1932; these are official Soviet publications). With declining exports and declining imports, and the failure of many industries to produce the amount of output planned (see *Review*, March, 1933, p. 22), it was inevitable that the Russian Government would have to undertake drastic measures of adjustment. If our correspondents find it unbelievable that the Russian Government could do what capitalist undertakings ordinarily do in such circumstances, i.e., dismiss staffs, they need only inquire at the Russian trading concerns in London to find out that they have been cutting down their staffs in this country long before, as well as since, the English Government imposed the embargo.

Both correspondents adopt an untenable attitude towards information contained in capitalist newspapers. A very large field of information is quite out of the reach of everyone unless obtained from these and other capitalist sources. Stalin, in his short pamphlet, "Results of First Five-Year Plan" (Modern Books, Ltd., 2d.), quotes from twelve capitalist newspapers. Marx and Engels not only quoted extensively from capitalist sources, but both of them wrote for capitalist newspapers. So far from adopting the stupid view that all information from official and capitalist sources must be deliberately tainted, Marx went out of his way to pay tribute to the English Government's factory inspectors for their independence and unbiased reports. Of course, the capitalist newspapers are opponents of Socialism, but that does not mean that they do not give more or less objective reports particularly on matters about which business men need information for trading and other purposes.

If we have to go to such papers as the *Manchester Guardian* for information about Russia, the Communists should be the last to complain. Under the Russian dictatorship all independent Socialist organisation and activity are suppressed inside the country, with the result that information can only come either via the Russian Government and the Communist propaganda journals, or else via those selected correspondents of capitalist newspapers whose residence in Russia is approved by the Russian Government. The official and semi-official Russian publications are quite objective in their presentation of the facts, but they are very little read and cover only a limited field of information. The Communist propaganda journals, on the other hand, are not objective, but give a very one-sided view. The fact that our correspondents should be evidently unaware that Russia has officially reported heavy unemployment in the years 1924 to 1930, is an indication of the way in which this fact was all but ignored by the Communist press.

We wonder if those who rely solely on Communist propaganda papers for information about Russia are aware that the Evangelical Continental Society of 20, Memorial Hall, E.C.4, is appealing for funds to send food to starving families in rural areas of Russia, and that the Society's appeal is (according to the Secretary) by consent and with the assistance of the Russian Government and its official agencies? And are they aware that Trotsky is likewise appealing for funds to save from starvation former prominent supporters of his who have been exiled to remote parts of Russia?

It must also be remembered that journalists, having to write up a great variety of subjects, often in haste, sometimes make quite genuine errors as to facts or interpretation. The "Friends of the

Soviet Union" paper, *Russia To-day*, for example, has just had to issue a public withdrawal and apology for some statements made about the Lena Goldfields Company.

"Russia Supporter's" reference to the *Manchester Guardian* and "war lies" is quite misleading. We cannot find in Ponsonby's book any statement that the *Guardian* circulated "war lies," and our correspondent omits to give the page on which Ponsonby is supposed to have said so. What we do find is that Ponsonby, in two places (pages 100 and 154) gives the *Guardian* credit for having refused to circulate lying or unfounded reports.

As the SOCIALIST STANDARD has never accepted or mentioned the "Blasphemous Match-box Story" and has made no reference whatever to the Russian trial, we do not understand the point of "Russia Supporter's" reference to these incidents.

The second correspondent, Mr. W. J. Moosley, starts off by saying that our criticism of the Bolsheviks is "mudslinging of the same category which the capitalist press prints from time to time." We challenge this correspondent to show us any article from the capitalist press laying down a position similar to that of the S.P.G.B., i.e., that Russia's economic system is capitalist, not Socialist; is developing on capitalist lines, not towards Socialism; that this is not due to personal defects or mistakes on the part of the Bolsheviks, but to the inescapable facts that Russia is still economically backward and the population in the overwhelming mass does not understand or want Socialism. This is the position the S.P.G.B. has laid down for 15 years, and our correspondent is making what he must know to be a wild and untrue statement when he declares that this is the attitude of the capitalist press.

This correspondent says that we "never even admit" that the majority of people in Russia are living in far better circumstances than before the revolution. Will Mr. Moosley tell us where and when we were asked this question and refused to admit it? If he will, for example, look at our pamphlet, "The Socialist Party and Questions of the Day" (page 57), he will find this:—

Owing to the expansion of Russian capitalism and to the protective measures of the Bolshevik Government, the standard of living of the Russian workers has been raised above the pre-war level, and working conditions have been improved....

Our correspondent's remarks about the capitalist press and unemployment in Russia are partly answered in the reply to "Russia Supporter." For the rest, the remarks are quite beside the point. The question at issue is whether or not the Russian Government has been able to avoid unemployment. So ill-informed is this correspondent that he does not know that the Russian Government admitted heavy unemployment for the years 1924-1930.

Mr. Moosley concludes by asking us to send

a delegate to Russia to find out. But why send someone to Russia to find out facts which are unknown to Mr. Moosley, but which are obtainable here in official Russian publications? Also Mr. Moosley does not mention the very big difficulty of the cost. If he knew anything of the difficulties facing a working-class political party which does not receive the support of wealthy individuals or subsidies from the Russians, he would realise that the S.P.G.B. has not the money to spend on sightseeing trips to Russia.

In general we would ask both correspondents to observe that they are not the first to accuse the S.P.G.B. of criticising other people's sincere efforts. But sincerity will not make an unsound policy into a sound one. Before the war we were criticised for condemning the Labour Party's sincere belief in alliances with the Liberals. During the war we were criticised for condemning the Labour Party's support of the war. After the war we have been criticised for "sneering" at the efforts of Labour Governments here and in Australia and elsewhere. Now we are told that we must not criticise the Bolsheviks because they "are trying to lay the foundations of Socialism by a different method than the S.P.G.B. preach." But that simply begs the whole question. The S.P.G.B. exists precisely because the foundations of Socialism cannot be laid by the Labour Party method or the Bolshevik's method. The Bolsheviks were, from the first, bound to fail, and it is the duty of the S.P.G.B. to do its utmost to prevent the failure of the Bolsheviks from being regarded as a failure of Socialism, just as it was our duty to prevent the failure of Labourism from being so regarded.

The Bolsheviks have no cause for complaint in this. They deliberately, and with their eyes open, rejected the methods advocated by the S.P.G.B. If they could have succeeded their methods would have been justified. When their failure becomes obvious it is highly desirable that the working class shall not be misled into thinking that the failure of Bolshevism means the failure of Socialism.

ED. COMM.

The Church and the Slums

Coupled with its ordinary occupation of spreading dope among the working class minds, "saving souls" and looking after our spiritual interests, and teaching us always to be "lowly and reverent to our pastors and masters," the Church carries on an important sideline as ground landlords. In an article in the *Daily Herald* (January 23rd, 1933), "Bishop denounces Church property as ghastly," we learn that the Church's annual income of £3,392,000 is administered by the Ecclesiastical Commissioners, which body comprises the two Archbishops, the forty Bishops, the

First Lord of the Treasury (Prime Minister, MacDonald), the Chancellor (Chamberlain), and "other officers of State."

The business done by the Church as landlords is not inconsiderable, as on the Paddington estate alone, this brings in £70,000 a year, and according to the *Herald's* own correspondent, "much of it, viewed from the points of sanitation, overcrowding and dilapidations, is bad."

It appears that some move has been made to alter things, for we read (*Ibid.*):—

"For three years past," said Mr. G. W. Currie, of the Westminster Survey Group, "every effort has been made to stir the Ecclesiastical Commissioners to take some action in their capacity as ground landlords. It is true they have indicated their willingness to fall in with any improvement scheme that may be started—but nothing has been done."

Quite so. All concerned will wait a long time for the Church to do anything except for themselves or their paymasters. He goes on:—

Much of the money for church work, the portion at least of the stipends of a number of bishops are drawn from the church's Paddington estate. The revenues in question have increased four-fold in a century."

And the Bishop of London describes this state of affairs as "ghastly." The Dean of Paddington describes it as "shocking," and the "Westminster group" as "an open scandal." But it will still go on fetching in £70,000 a year, and meanwhile, to that tune they can easily afford to wait till someone will turn up to "hold the baby," in the shape of "some improvement scheme." Thus they will watch developments (sitting tight the while) and, if worth while, will then "heartily co-operate," no doubt in God's name, and have a thanksgiving service into the bargain. Such, then, is another phase of the civilising and uplifting influence of the Church. C. V. R.

READERS IN THE UNITED STATES

Readers of the SOCIALIST STANDARD in the U.S.A. are invited to get into touch with the *Workers' Socialist Party* at the following addresses:—

Headquarters, 182, East 28th Street, New York City.
Local Boston, Mass., FRED JACOBS, Secretary, 118c, Warren Street, Roxbury, Mass.
Local Detroit, Mich., NILS AKERVALL, Secretary, 70, Ferry W., Detroit, Mich.
Local Los Angeles, Calif., HELEN DYER, Secretary, 8011, Tillie Street, Los Angeles, Calif.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	...	...	Tooting Broadway, Garratt Lane, 11.30 a.m. Tottenham, West Green Corner, 8 p.m. Victoria Park, 11.30 a.m. Walworth, Liverpool Street, 11.30 a.m. Finsbury Park, 11.30 a.m. Clapham Common, 3.30 p.m. Prince of Wales, Harrow Road, W.9. 7.30 p.m. Leyton, Whippcross, 7.30 p.m. Tooting, Undine Street, Mitcham Rd., 11.30 a.m. Ridley Road, Dalston, E.8. 8 p.m. Highbury Corner, N. 8 p.m.
Monday	...	...	Leytonstone, Cowley Arms, Harrow Green.
Tuesday	...	...	Tottenham, West Green Corner, 8 p.m.
Wednesday	...	...	Tottenham, West Green Corner, 8 p.m.
Thursday	...	...	Bethnal Green, "Salmon and Ball," Cambridge Road, E., 8 p.m.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BETHNAL GREEN.—Branch meets alternate Mondays, 8 p.m., at Bethnal Green Trades and Labour Club, Cambridge Road. Communications to Reynolds, 57, Weymouth Terrace, E.2.

BIRKENHEAD.—Communications to H. Dawson, 58, Willmer Road, Birkenhead, Cheshire.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Grays Inn, Road).

CENTRAL.—Membership obtained only through the Ex-Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (beginning 1st May) at 8 p.m., Pettits Farm, Heathway, Sec. W. Waters, 396, Heathway Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 7.30 p.m. at 141, Bow Road, E.3.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Tuesday in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

NEWCASTLE-ON-TYNE.—Branch meets every Tuesday at 7.45 p.m., at Socialist Club, 25, Royal Arcade, Newcastle. Discussion after branch business. Non-members invited. Secretary, Alfred J. Fairchild, 55, Hampstead Road, Benwell Newcastle-on-Tyne.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SCHEFFIELD.—Sec., J. Rodgers, 136, Rockingham Lane. Branch meets alternate Mondays, 7.30 p.m. at 162, Ellesmere Road. Non-members invited.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., N. Isbitsky, 390, Mile End, Rd., E.1. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m. 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain

HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocracy and plutocracy.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

Branch Directory—continued.

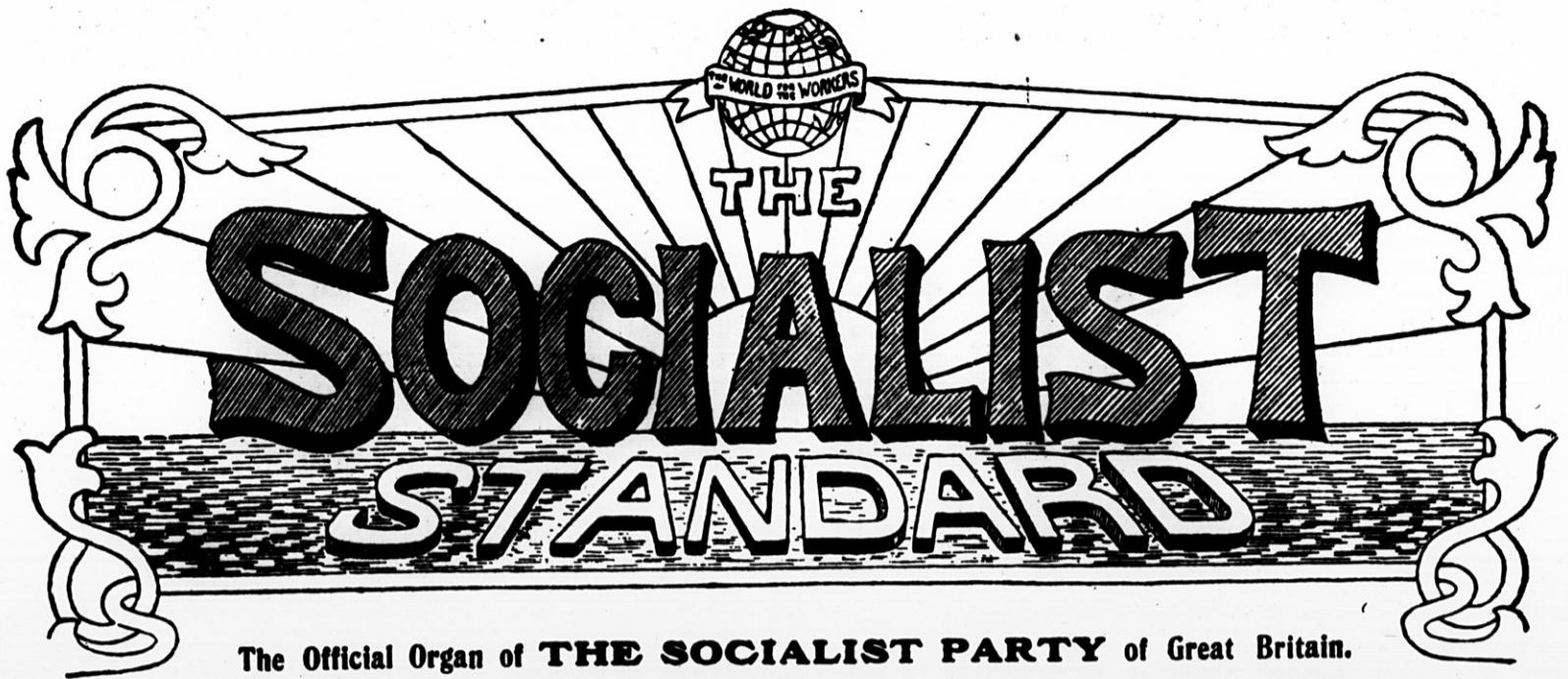
TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.



The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

No. 347. VOL. 29]

LONDON, JULY, 1933

[MONTHLY, TWOPENCE]

CONTENTS.

WESTERN CANADA	161	LLOYD GEORGE HAS A BRAIN WAVE	167
THE LABOUR PARTY AT THE CROSS ROADS	164	NEWSPAPERS AND POLITICS	168
DEBATE	166	THE DOUGLAS SCHEME	168
THE I.L.P. AND THE GREAT WAR	166	ON UNDERSTANDING MARX	172

Western Canada

LAND OF HOPE AND ILLUSION

When King Charles II handed to Prince Rupert and his friends the first charter of The Hudson Bay Company he gave to that great concern not only a monopoly of trade but possession of all the natural resources of Western Canada.

For over 250 years tribute has been taken in an ever-increasing stream by the development of the immense resources of this part of a land which the Spanish explorers of old named "Acanada," meaning: "Here is nothing."

Since the days when the Cockney Henry Kesey first gazed on the herds of buffalo, and La Verendrye first walked on the ground on which Winnipeg is now built, a new system of society has grown throughout the civilised world; the early fur traders gave way to Lord Selkirk's settlers, who laid the foundation for the expansion, the hopes and the illusions of the last sixty years.

October 21st, 1876, saw the first shipment of wheat. From that time on a mighty flood of settlers came to transform the virgin prairies into one of the breadbaskets of the world.

To visualise the economic growth of the three prairie provinces (Manitoba, Saskatchewan and Alberta) a few figures are necessary. In 1890 there were less than one and a half million acres

under field crop; by 1926 this had grown to 38 million acres, and the wheat acreage alone had grown in 1932 to 26,395,000 acres. A ten-year average from 1922 to 1931 shows a yield of about 16 bushels to the acre. The amount of wheat on hand on August 1st, 1932, when the new crop was entering the market, was 131 million bushels, and this in spite of a 40% increase in sales for the first eight months of the crop year. It is anticipated that Canadian stocks will be increased by 50 million bushels by August 1st, 1933. Wealth! Fabulous wealth! but we are living under capitalism.

The *Manitoba Free Press* statistical number of January 7th, 1933, begins: "The picture presented by the 26th annual statistical number is undoubtedly the least cheerful so far presented by the *Free Press* to its readers." The W. Stanford Evans Statistical Service, Winnipeg, gives the following estimated buying power of the farmers for 1932-33 (100% is the average buying power for a 10-year period, 1921-30).

102,753 farmers with buying power 75% of normal.

112,229 farmers with buying power 50% to 75% of normal.

35,897 farmers with buying power 35% to 50% of normal.

31,259 (1931-32 estimate) with buying power less than 35% of normal.

Allowance has been made in the above figures for the change in purchasing power of the dollar, "but where fixed money obligations, such as interest on debt, mortgage payments, etc., have to be met, the comparison with normal buying power is not as favourable as shown here," states the Statistical Service.

There were 100 million bushels less wheat produced in 1932 than in 1928, but the price has in the meantime dropped from around one dollar and fifty cents to fifty cents a bushel, and with that drop in price has also fallen the hope of the vast majority of Western Canada's two million population.

In the years of development many changes took place, and of course transportation in a country like Canada is of vital importance. To get the railway system that Canada is now blessed or cursed with, the promoters up till 1913 received 56 million acres of land, and 244 millions of dollars in cash, as well as having 245 millions of dollars in bonds guaranteed. It was a golden period for those "in the know," so "golden," indeed, that the *London Standard* (September 25th, 1891) says: "No honest Canadian can read the testimony without feeling that corruption has saturated departmental and Parliamentary life."

But the golden period for investors who lent money to the Government has not passed. "Canada, 1933," which is the official handbook of the Dominion Government, has this to say of Canada's debt: "The single item of railways and canals accounted for almost the entire increase in the net national debt from 76 million dollars in 1868 to 336 million dollars in 1914." "The following decade witnessed the tremendous increase in the debt from 336 millions to 2,453,777,000 dollars in 1923."

A period such as is roughly depicted here spells fortune for the favoured few and exploitation for the many. The Hudson Bay Company in its first two hundred years is estimated to have taken £20,000,000 to England from profits which the fur trade yielded. This was after its Factors and Chief Traders had taken their 35% of net profits. The fact that Donald A. Smith (later Lord Strathcona) from 1838 to 1857 accumulated 50,000 dollars of a personal fortune in Labrador, "the bleakest spot on earth," shows how stupendous the plunder wrested from the Indians must have been. In addition to furs the Hudson Bay Company exported timber in immense quantities from Oregon, and afterwards sold its rights in the United States for 450,000 dollars in gold. Ultimately the Hudson Bay Company relinquished its sole right to rule and rob the

natives and immigrants of the West in return for a cash payment of 1,500,000 dollars and one-twentieth of the land between the Red River and the Rocky Mountains. To-day old age and infirmities seem to have seized it, and by the time the working class have decided to "expropriate the expropriators," the Hudson Bay Company will probably have gone the way of all flesh.

With the surrender of the Company's power and the growth of transportation, new political and economic problems arose; first the land problem of the "Metis" (half-breed) population leading to two outbreaks under the leadership of Louis Riel, who suffered the fate of execution—for trying to obtain political power by direct action or force.

The next movement in Western Canada again arose out of a land problem. In 1920 the farmers, especially in the West, were the first to feel the depression following the war, and in their grim determination to remedy conditions they turned to political action under the name Progressive Party. They went from victory to victory, until they held the balance of power in Ottawa and had captured the Legislatures of Ontario, Manitoba and Alberta. They still control Alberta in an emasculated way; they also have a composite Progressive-Liberal government in Manitoba. The dead sea fruits of their decade of mushroom growth is revealed in a recent vote at Ottawa where out of 16 Progressives (farmer-labour) eight voted straight Conservative and eight for the opposition. In other words, they have been well digested.

In this decade the embattled farmers also tried economic action in the shape of a Wheat Pool, which has practically passed away "unhonoured and unsung," leaving behind a mountain of debt for our masters to worry about.

The present crisis has brought with it a new mental outlook to the farmers of the West, and even in districts where "bush culture" is most evident a hearing can be obtained for talk about Socialism. The farmer is beginning to realise what the Socialist meant when he said, "he who owns the means whereby I live, owns me."

For 20 years in this "last West" the former Socialist Party of Canada held forth, and amongst the miners, railway men, building and construction workers it acquired a standing which, in relation to the population, was perhaps unequalled by any similar party in the English speaking world, and at the same time distributed a literature much of it sound in its scientific character. Its position on the 2nd International and its stand on the war showed how far it had progressed in Marxian knowledge. But it suffered from long distances between branches and a growth of economic and political opportunism. The question of unionism arising from the Winnipeg strike of 1919, when 22,000 workers who, with their families, made 40% of the entire population of the city, went on

strike in one of the greatest displays of solidarity the world has yet seen, and also the Russian question were too much for the far scattered membership to agree on.

As a result of their strike activities three active members of the party were jailed, and the party itself degenerated into cliques who quarrelled about affiliation with the 3rd International, or about the "one big union" idea.

Then there was the Social Democratic Federation, made up largely of European workers and peasants, mostly Finns and Ukrainians with a sprinkling of Russian Jews, Germans and Labour Party Britshers who had largely imported their ideas with them. To the above type as well as the least reliable of the membership of the S.P. of C. the Bolshevik slogans and catchwords appealed strongly, and the growth of the Communist Party commenced. In its varied guises it has had a chequered career and, like the Communist Party of Great Britain, has received contradictory orders from Moscow—first to work with the Labour Party, and then to oppose it. Its speakers have advocated every reform the mind of man can conceive of, as well as the usual junk of mass-action and force. At present it is an illegal organisation, but exists under a number of aliases. The work of most of these aliases consists of passing resolutions to free prisoners who practically asked to be put in jail, and "Hands off Soviet Russia," which can hardly derive any benefit from their activities. Their membership consists largely of men who belong to foreign language groups, and their education and propaganda has not yet penetrated the English speaking workers. They undoubtedly now have fewer English speaking members than in the first year or two of their existence.

The financial position of the West is similar to that of other agricultural nations; a burden of debt hangs like a pall. Agriculture is a slow process of production, and supply and demand cannot be readily adapted to changed conditions. Farms cannot be closed down like factories. It has become impossible to produce and sell at a price which yields a sufficient surplus to meet debt payments. Canada has a national debt of over 2,600 million dollars, provincial debts of over 1,500 million dollars, and municipal debts of over 1,500 million dollars. The interest on these debts, owing to the fall in prices, has become, especially for the Western provinces, an unbearable burden.

Under the terms of the British North America Act passed at the time of Confederation the powers of the provinces are limited to imposing direct taxation, and this has prevented the provincial legislatures from attempting to put into effect some of the schemes for reorganising the capitalist system which the "United-Farmer-Labour Co-operative Commonwealth Federation" bloc in Ottawa propose from time to time. For instance: Mr. W. F.

Lucas, the farmer member for Camrose, Alberta, on April 4th this year moved an amendment to the Budget speech, seconded by Mr. J. S. Woodsworth, I.L.P. member for Central Winnipeg. Mr. Lucas saddled the blame of all economic and industrial ills upon "fundamental defects in our economic system accentuated during recent years by the policies of deflation and credit restriction." He told us that the future happiness of the people for some time to come depended on the result of the findings of a Royal Commission to study the organisation of the entire monetary and banking system. He also wholeheartedly endorsed the report of the London Chambers of Commerce which said, "monetary reform is of outstanding importance; the arrest of progressive deflation is the condition precedent to a restoration of world prosperity, and no other means which may be taken can prove an effective substitute."

Douglasites, Currency Cranks, Credit Faddists, Inflationists and Deflationists all find a happy home in the C.C.F.; none of them realise that so long as the capitalist system lasts bad conditions for the producers of wealth will continue.

The outcry against direct taxation has grown in the West with the worsening of economic conditions, so that in order to avoid repudiation and bankruptcy the Dominion Government has had to advance about 13 million dollars to meet maturing obligations in New York and about the same amount for unemployment relief, including over 6½ millions to Saskatchewan in 1931-32 "to assist that province in meeting provincial government expenses."

It is this situation which has caused another emotional rising referred to above—the "Co-operative Commonwealth Federation." A year or so ago the reformers of the West, under the leadership of Mr. Woodsworth, a Labour M.P., decided to launch what they call the Co-operative Commonwealth Federation, and so far have been very successful, having been endorsed by such widespread bands of reformers as the United Farmers of Ontario, who are in favour of "a planned system of social economy" (they doubtless have a blueprint like Willrich 100 years ago and Father Haggarty in 1905), also the I.L.P. in Manitoba, who eagerly try to help our local rulers by telling them how to raise the money to pay the bondholders, and incidentally go to the people every election with a string of reforms only exceeded in length by that of the more vociferous Communists. Funny to relate the C.C.F. also have as a "charter member" the so-called Socialist Party of Canada (of British Columbia), an organisation which says it is "willing to co-operate with any group, organisation or party of the working class whose principles and aims are similar to those outlined in this declaration." Other affiliated bodies are The United Farmers of Alberta, and the

Ontario Labour Party, whose leading members have propagated every known nostrum from inflation to nationalisation, from high prices for farm products to low wages for the workers. In the new "United Front" drive which Moscow is now launching against Fascism we may expect to see both Trotskyites and Stalinites joining the new Federation, though that will help to kill it.

In this sketchy way the economic and political position of the prairie provinces has been shown. The present financial situation of the farmers is critical. From being the largest per capita consumer of commodities in the world (up to 1929) the Western farmer is now being pressed down to a peasant's level. Dunn's report (March 30th, 1933) says of Manitoba:

The stimulation to general business which in the past has usually marked the advent of Spring appears to be lacking this year. Few signs of improvement are evident to lend any encouragement to the hope that the general business depression is on the wane. Retrenchment and conservation are still the order of the day. Both business concerns and local governments are seeking ways and means of reducing expenses and increasing incomes. In city and suburban communities relief for the unemployed continues to demand a large share of the time and attention of authorities, the number requiring such relief being on the increase.

So bad indeed have conditions become in the West that reformers have almost run out of ideas for the saving of capitalist society, and many who in 1929 thought they were on the road to becoming capitalists now wonder if present day society is worth saving.

In all this welter of confusion the S.P. of C. is again at work. It was reorganised in June, 1931, and after a discussion, the object and principles of the S.P. of G.B., with minor changes to suit Canada, were adopted, it being agreed that they were the clearest and most concise expression of scientific Socialist principles. Locals have been formed in North Battleford, Moose Jaw and Vancouver, and old members of the S.P. of C. and of the S.P. of G.B. are now trying to get organised in both Calgary and Montreal. Farmers all through the West are showing an interest, and classes are being conducted in many small villages and farm houses where the SOCIALIST STANDARD and Marxian literature have penetrated. We want the farmer to understand the position he is in and the way out. As one of the old propagandists wrote in the "Slave of the Farm" back in 1914:

For to-day the "Open Sesame" is still education, education, and more education. The petty economic antagonism existing between the wage worker and farmer must be overcome by well applied thought and revolutionary enthusiasm, for these antagonisms are part and parcel of the contradictory nature of capitalism and must be understood as such. The giant machines must be made servants of mankind and no longer remain life-robbing agents for a few slothful and callous idlers. To this task let us bend our efforts. Gigantic as it is, yet we shall accomplish it, because we must.

A. P. (Winnipeg),
Socialist Party of Canada.

The Labour Party at The Cross Roads

Those who are considered to be good judges of political horseflesh have tipped Mr. Herbert Morrison as a winner in the race for the Premiership of the next Labour Government. They may be right—if there is another Labour Government. If ever that should happen we know from Mr. Morrison's "Socialisation and Transport" (Constable, 7s. 6d.) what he intends to do.

Judged simply from the standpoint of its quality as a presentation of Mr. Morrison's views it is an able piece of work, free from cant and enlivened by some clever debating points in the criticism of his opponents inside as well as outside the Labour Party.

Its subject matter is the co-ordination of London passenger transport, now given legislative effect in the London Passenger Transport Act. This Act was first introduced by Mr. Morrison as Minister of Transport in the Labour Government, and after being amended in some not very important respects has been carried through by the Conservative "National" Government. Briefly, it replaces the multiplicity of tram, tube and bus concerns by a single undertaking, the "London Passenger Transport Board." The members of the Board are appointed by a committee, which in turn is appointed by the Government. The Board will operate under restrictions laid down in the Act, and the shareholders of the separate undertakings will continue to draw dividends from their holdings in the undertaking approximately equal in amount to the dividends they drew before. The Act provides also that the workers employed shall be taken over on terms equivalent to those they formerly worked under.

On the economic side the change is more or less in accordance with the new needs that have arisen through the development of London transport and industry, but in that respect there is nothing particularly original about Mr. Morrison's Act. The Traffic Combine had themselves made all preparations for unification, and the last Conservative Government were also in favour of legislation on similar lines. We shall be fair to Mr. Morrison if we say that he used his opportunities as leader of the London Labour Party and as Minister of Transport to master thoroughly the details of the traffic problem, and that with the assistance of Lord Ashfield he put in a lot of spadework to bring the various sectional interests to agreement on a common plan. He appears to have done that job as well as, and possibly even better than, any Liberal or Tory in the political inner circle would have done it.

He used the form of undertaking known as a "public utility corporation," thus copying the Liberals and Tories, who created the Port of

London Authority, the Central Electricity Board, the British Broadcasting Corporation, and Imperial and International Communications, Ltd. But apart from the attempted solution of certain economic problems thrown up by the development of transport, all of these public utility corporations leave ownership and the problems of the wage-earners exactly as they were before. "The more it changes, the more it is the same thing." That is why, in spite of apparent candour, Mr. Morrison is not honest when he calls his schemes "socialisation" and his book "Socialisation and Transport." It is not that he pretends that the London Passenger Transport Board is Socialism. On the contrary he says definitely that it is not. Nevertheless, with his ability to see things clearly and state them lucidly he must know perfectly well that his use of these terms is without any kind of justification (except personal and party ends), and that it will mislead many workers who read the book. It is difficult to believe anything else than that Mr. Morrison knows it will mislead. He knows and intends that workers shall be lulled into feeling that this measure, although of no present value in the solution of specifically working class problems, will nevertheless in some obscure way strengthen the Socialist Movement and clear the road to Socialism.

He admits that his scheme will not solve the problem of unemployment or of low wages (p. 283), and that increased efficiency may lead to cutting down staffs (p. 286). He argues, however, that we must have a policy for to-day. We must show that we can do things which are an improvement on the existing capitalist organisation and control. In short, we must show that we can run capitalism better than the capitalists can.

That argument can be best answered out of Mr. Morrison's own mouth. In his clever advocacy of public utility corporations he pours ridicule on his Labour Party opponents who still take their stand on simple "nationalisation," i.e., running industry by Government departments like the Post Office. But why is it possible for Mr. Morrison to ridicule inside the Labour Party what was not long ago the chief plank in its programme? It is precisely because his own argument is at its foundation exactly the same argument as that of the "nationalisers." Ten years ago the Labour Party was gaining adherents on the claim that they, through Government departments, could run industry more efficiently than the capitalists. In Australia, as we believe Mr. Morrison used to point out, State-operated industries were claimed to be more efficient and profitable than private industries. That line of argument has become largely discredited because more efficient capitalism from the workers' standpoint is not materially different from less efficient capitalism. No matter how capitalism is run it will produce its evil

effects, and the workers will periodically turn away from those who associate themselves with it. Mr. Morrison can attack the "nationalisers" now because the progress of capitalism has discredited them. It is his turn to-day but it will be the turn of somebody else to-morrow. Capitalism will discredit him and his public utility schemes in exactly the same way that it discredited unrestricted competition on the one hand and nationalisation on the other.

Let us preach a little sermon to Mr. Morrison about this. Years ago he and other Labour Party supporters used to tell the S.P.G.B. in a patient and kindly way that we meant well, but were all in the air. We must come down to earth. We must drop abstract theory, and deal in practical things. We must recognise that what the workers wanted was not Marx's theory of value but bread and butter, work, houses, old-age pensions, etc.

Now let us draw Mr. Morrison's attention to the same facts, and open his eyes to the instructive change which time and electoral defeat have wrought in the programme and propaganda of the Labour Party. It is true that the workers want good food and more of it, nice clothes and spacious houses, holidays, gramophones and wireless sets, the means to go to cinemas and theatres, to get married and to educate their children, to buy books and toys, and that they want relief from the anxieties of unemployment, ill-health and unprovided old age. Knowing this, we, of the S.P.G.B., have to tell them the truth, which is that these things can only come through Socialism.

What does Mr. Morrison's Party say about it now?

Because the Labour Governments have failed utterly to provide what the workers want, the Labour leaders have evolved a new theory, one part of which is that capitalism cannot afford any more reforms (which is nonsense), and the other part of which is that the Labour Party should seek support and votes, not by bribing the electors with promises of reforms of the old kind, but by demonstrations of ability and efficiency on the lines applied in the reorganisation of London Transport. Let us, therefore, tell Mr. Morrison that he is hopelessly wrong if he thinks that he can set the Thames on fire with such schemes. They are as unattractive to the average worker as ever Marxian theory was. You must come down to earth, Mr. Morrison. You must be practical. You must drop these theoretical abstractions so far removed from working class life, or your political epitaph will be: "They asked for bread and he gave them a public utility corporation!"

When Mr. Morrison deals with the syndicalistic notions which masquerade under the name of "workers' control," he writes some sound sense. The whole quarrel between the trade union officials

who demanded the right of the unions to appoint representatives to the Board, and Mr. Morrison and others who opposed it, is something in which the average worker has no interest and which in no way touches his problems. What was really at stake was whether certain prominent Trade Union officials should get a better chance of positions on the board. Actually, although Mr. Morrison won his point and barred trade union officials from seats as representatives of their unions, and kept the door open to people expert in "public affairs" (i.e., politicians like himself), one of his trade union opponents has been appointed to the board! This looks like base ingratitude in the appointing committee.

Mr. Morrison scores one neat point against his Communist opponents who think that the Russian Government allows the workers' organisations to control and manage production. Not only does he show that all pretence at this was long ago abolished, but he adds insult to injury by expressing his own view that the Russian Government in abolishing "workers' control" probably went farther than was wise or necessary.

The discussion in Chapter XV about the form of economic organisation under Socialism is of little value except as a warning against the utopianism of drafting blue-prints for a future all the conditions of which are not known. Mr. Morrison even fails to appreciate the revolutionary effect of those basic changes which can be foretold, for example, the abolition of the wages system and with it the tyranny which gives the employer the power to compel obedience by the threat of dismissal and loss of livelihood. The management and direction of industry will have to be conducted in a very different manner when the workers cease to be "intimidated wage-slaves" and become men and women.

H.

Debate.

S.P.G.B. versus THE COMMUNIST PARTY.

On Sunday, May 7th, a debate took place at Grove House, High Road, Leyton, between S. Rubin for the S.P.G.B. and Ralph Fox for the Communist Party. The audience of 150 was keenly interested and took full advantage of the questions and discussion which followed the debate. The time allowed to the debaters was somewhat short, but Comrade Rubin was able to state the Party's case and covered a great deal of ground. The debate was a very successful piece of propaganda for the Leyton Branch.

Russia and Unemployment

Mr. W. J. Morsley, whose letter was replied to in the June SOCIALIST STANDARD, writes pointing out that he was well aware of unemployment in Russia previous to 1920, and that therefore his letter in the June SOCIALIST STANDARD did not warrant an assumption to the contrary which was made in our reply.

ED. COMM.

The I.L.P. and the Great War

Many myths have grown up about the "Great War," one of which concerns the attitude of the I.L.P. It is quite honestly believed by many members of that organisation that it and its leaders maintained an attitude of Socialist opposition to the war from 1914 to 1918. The truth is that while many members of the I.L.P. opposed the war, either on Pacifist grounds or because they held that the war was not the concern of the working class, the organisation adopted an attitude which was completely at variance with the only attitude a Socialist party could adopt.

While it may be said that younger members of the I.L.P. are honestly mistaken about the war-time activities of their party, the same cannot be said for older members, who know better. In particular, as we have previously pointed out in these columns, the former I.L.P. journal, *Forward*, after denying our statement that Keir Hardie spoke from recruiting platforms in 1914, declined to allow us to reply to the denial by giving the evidence.

Now we have the *Northern Voice*, official organ of the northern section of the I.L.P., declining to insert a letter from a member of the S.P.G.B. giving evidence concerning the I.L.P.'s wartime activities, on the ground that "The facts about the I.L.P. and its attitude to the war are quite well known." (*Northern Voice*, June, 1933.) The truth is that the *Northern Voice*, like *Forward*, prefers that certain inconvenient facts shall not become known to its readers.

We do not wish to use up a large amount of space going over again matter which has frequently been dealt with in these columns. We will, therefore, briefly give one or two outstanding facts and refer readers to sources from which further details can be obtained.

Mr. Ramsay MacDonald, then a leader of the I.L.P., is popularly believed to have opposed the war. His biographer, H. H. Tiltman, who used material supplied by Mr. McDonald, gives an abundance of evidence, including verbatim reports of speeches, showing that he supported the carrying on of the war and assisted in recruiting. For further details see SOCIALIST STANDARD, November, 1930.

The late Mr. Keir Hardie, another I.L.P. leader, in 1914 actively engaged in recruiting, and claimed (*Merthyr Pioneer*, November 27th, 1914) that he had gained recruits while the Liberal candidate had been unsuccessful. For details, see SOCIALIST STANDARD, August, 1928.

Even before the war Mr. Keir Hardie was advocating nationalisation of the mines, for the reason, among others, "in order that the country should have a supply of the coal without which the Navy was helpless and powerless." (See

Manchester Guardian, March 4th, 1912. Report of a speech at Merthyr.)

At the I.L.P. Conference in 1916, when some delegates wanted to expel those supporters of the war and of the Coalition Government, Clynes and Parker, Mr. MacDonald opposed this, and the Conference carried the "previous question" by an overwhelming majority. Mr. MacDonald said, during his speech:—

But he was not going to say that men who had participated in the recruiting campaign should be turned out of Socialist organisations.

In the report published by the *Labour Leader* (April 27th, 1916), this remark was greeted with "Hear, hear," from delegates.

During the war the I.L.P. Members of Parliament never voted against war credits. At the 1924 Conference of the I.L.P., Mr. Jowett drew attention to this. He said (report in *Daily Herald*, April 27th, 1924):—

Even during the War the I.L.P. Members of Parliament had not voted against war supplies, and had not been challenged by the Conference.

These and other wartime activities of the I.L.P. and its members are activities which cannot be squared with the Socialist position. Mr. MacDonald admits his wartime activities, and is prepared to defend them. *Forward* and the *Northern Voice* prefer to suppress the facts as being an easier course than attempting to defend them.

P. S.

Lloyd George Has a Brain Wave

Lloyd George's vitality remains unabated. On March 11th he addressed a meeting in the Cattle Market at Ashford in connection with the by-election there. A. J. Cummings, reporting it in the *News-Chronicle*, says that the most impressive part of his speech was "his appeal to bring together the vast sums of idle money and the vast army of the unemployed." In case any of our unemployed readers might take this in a literal sense, we hasten to reassure them on the point. Here is the crucial sentence:—

"The Government was spending £130 millions every year in keeping workers in enforced idleness. While there were 3 millions out of work and thousands of slums to be cleared and millions of acres of waterlogged land to be drained, £2,000 millions was lying practically idle at the banks."

So, after all, they are not going to give us the money; oh dear no, but they will give us a little bit of it provided we do some work for them—provided that we build houses of which we cannot afford to pay the rent when we are back on the "dole" after having built them, and provided that we drain waterlogged land. Why should we drain waterlogged land, presumably for grain growing, when the granaries of the world are bursting with the wheat which its capitalistic proprietors cannot sell? But the answer is plain. The

workers must WORK. That a worker, when he has produced enough foodstuffs and other commodities to last another three years, should sit back and smoke a pipe, is unthinkable—a thought too terrible to contemplate. He would become DEMORALISED.

How peculiar that the effect of idleness upon a worker is to make him "demoralised," whilst it has no such effect upon a member of the capitalist class. But perhaps that is because, having appropriated such a large portion of the surplus value produced by the worker, he is able to enjoy himself, and get about the world, winter in Egypt, and so on, whilst the idle worker has to satisfy his peripatetic instincts by hiking about between his slum dwelling, the labour exchange, and the relief office. Is it any wonder that Lloyd George called the workers into the Cattle Market to address them?

Verily, the capitalist thinketh in the terms of the god of Genesis, who said: "In the sweat of thy face shalt thou eat bread, till thou return unto the ground." In the face of this god-given command it would be rank heresy to suggest that something other than a bare subsistence should be given for nothing, and Lloyd George does not err on that score.

However, until the workers realise that their troubles are due to the class ownership of the means of production, all these nostrums will continue to be preached unto them, and they will, as their masters recommend them to do, continually be seeking the ever-elusive WORK.

There is only one cure for unemployment, and that is a social system based on the common ownership of the means of production, where each shall do his share according to his ability, and each shall have according to his need.

RAMO.

ANSWERS TO CORRESPONDENTS

MR. W. J. MORSLEY. We have inserted a notice elsewhere in this issue drawing attention to your correction of our reply last month. We are writing about other points in your letter.

ED. COMM.

Owing to pressure on space and the large number of letters received from correspondents, replies have been crowded out of this issue of the SOCIALIST STANDARD, and replies by post have been delayed.

ED. COMM.

BLOOMSBURY BRANCH

Lectures are given every Friday evening, at 8.30 p.m., at the AMALGAMATED ENGINEERING UNION HALL, 39, Doughty Street (corner of Guildford St.), W.C.1

July 7th	..	"The London Money Market"
July 14th	..	Lecturer—E. James
July 21st	..	"Religion"
July 28th	..	Lecturer—A. Stewart
	..	"Psychology"
	..	Lecturer—G. Cameron
	..	"Critics of Historical Materialism"
	..	Lecturer—A. Kohn

Admission free.

Questions and Discussion

OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 3d.

The Socialist Standard



JULY,

1933

Newspapers and Politics

Many people are sceptical when we point out that the capitalists will always be prepared to take over reform demands after they have been made popular through the spadework of the reformist Labour Parties, thus destroying the value of the work as a basis for working class organisation. It has been argued by our opponents that this may be true with regard to some unimportant items, but that the really first-class demands in the Labour programme would never be stomached by capitalist politicians or by the capitalist press. Recently we have had some remarkable illustrations to show that our criticism has not been overstated. Most outstanding is the London Passenger Transport Act. Introduced by the Labour Government, it has been adopted with secondary alterations by the National Government, and we see the City editors of most of the newspapers telling their readers that the shares of the undertaking are quite a sound investment. Among them is the *Daily Herald*, the City page of which carried a special article recommending the various classes of shares to its readers.

Then there is the entertaining struggle for bigger circulations carried on by the *Daily Herald* and the *Daily Express*. Finding that the Labour daily was capturing his readers, Lord Beaverbrook gave his *Daily Express* several new policies. If the Labour Party stood for higher wages so would he, and for two years or more the *Express* has vigorously attacked wage reductions, and has even stolen a march on the *Herald* by including the Co-operative Societies among the wage-reducers, whom it denounces.

When the I.L.P. launched its programme of State control of the banks, Lord Beaverbrook replied post-haste with a demand for complete State banking. When he saw that peace propa-

ganda was something of a draw he launched (during May, 1933) a vigorous campaign for "No More War." On the question of the "gold standard" he is ahead of the *Herald*, because he claims that he consistently opposed it for years. He opposed "economies," and chides the *Herald* with having backed up the wage reductions and economies imposed or planned by the Labour Government in 1931 prior to its break-up.

The narrowness of the line of demarcation between the "Labour" *Daily Herald* and the Tory *Daily Express* can also be illustrated by the transfer of journalists. The *Daily Herald*'s first move after Odhams took over the management was to hire a number of well-known journalists at that time on the staff of the *Daily Express*—almost like the transfer of professional footballers from one team to another. One of these journalists publicly stated at the time of his transfer that he still retained the political views which endeared him to Lord Beaverbrook, and one appears now to have returned whence he came.

An interesting sidelight on the relative importance of finance and politics in the publication of political newspapers was provided on June 1st, when readers who were wasteful enough to pay twice for the day's thimbleful of news, by buying an *Express* as well as a *Herald*, were able to read two signed articles by the same journalist, one being prominently featured on the leader page of the *Express* and the other similarly displayed on the leader page of the *Herald*. With small alterations of phraseology the two articles (dealing with the political situation in Austria and the political situation in England) could have been transposed without the readers feeling that there was anything amiss.

The Douglas Scheme

(Concluded.)

Prosperity in America

Major Douglas was rash enough in his evidence before the MacMillan Committee to give instances of "prosperity" having been achieved in various countries abroad by the adoption of what he regards as a more or less satisfactory financial policy. One country he mentioned was France, where, according to him, "there is no unemployment." It is true that at that time unemployment was not so heavy in France as in England (Major Douglas was quite wrong in saying that there was no unemployment there) but he said nothing of the great poverty which existed in France in spite of a more or less "correct" financial policy; and even Major Douglas must be aware of the enormous unemployment which exists in France at the present time.

Another country he selected for mention was America. He instanced the large increase in bank deposits in America between 1922 and 1928, as

compared with only a trifling increase in the deposits of the English banks. He said:—

It is not necessary, I think, to seek further for the cause of the disparity in material and industrial prosperity between this country and the United States in the post-war period.

Everyone is now well enough aware of the unemployment and trade depression in the U.S.A., but the fact is that during the years mentioned by Major Douglas (1922-1928) there was considerable unemployment and the usual contrasts between extravagant wealth and desperate poverty. It is just bad luck and misinformation which made Major Douglas raise the question of American "prosperity" at a time, 1930, when the great American depression was well under way and gathering momentum every day.

Bank Loans to Industry

Major Douglas holds the view that the amount of deposits standing to the credit of depositors can be increased indefinitely by the banks, by means of increasing their loans to industry. It was in this way that he tried to explain the rise in deposits in the U.S.A. and the consequent "prosperity."

What Major Douglas will not face up to is that banks do not and cannot (except at the risk of eventual bankruptcy) lend money without good security. The only security that business firms can offer in the ultimate is the prospect of being able to sell their goods at a profit. If a particular industry is overproducing in relation to the demands of the market, or if a general crisis is on, firms cannot offer that security. In that condition loans by banks would in many cases simply be giving the money away, and even then without turning depression into brisk trade. During 1932, between 2nd February and 30th September, the U.S.A. Reconstruction Finance Corporation (set up under Government auspices) used bank reserves and borrowed money equal to £282,000,000 gold pounds to enable the banks to make loans to industry (*News-Chronicle*, 8th December, 1932).

Yet there was not the slightest sign of trade revival.

The Hon. Rupert Beckett, Chairman of the Westminster Bank, Ltd., commented on this. He referred to U.S.A., and to the abundance of money seeking profitable investment in England, and said:—

Until quite recently the view was widely held that internal economic recovery could be stimulated by cheap money and credit expansion. The history of the last 12 months both in the United States and in this country has done much to discredit this theory. . . . The United States is a country which approaches so nearly to economic self-sufficiency that it provides the most favourable territory for the try-out of the inflationary experiment, and in so far as it has been tried out it has failed. . . . My purpose is rather to draw attention to the lesson driven home by 1932 that credit expansion and cheap money are not a panacea in themselves. A plethora of credit is of itself incapable of inducing trade activity, unless there is somebody ready and willing to make use of that credit

for the financing of enterprise. In a word, credit expansion is of active usefulness only when the manufacturing and trading communities of the world have sufficient confidence to make plans ahead and to borrow money to finance them. The supreme problem, therefore, is the restoration of confidence. (*Times*, February 3rd, 1933.)

Major Douglas's error can be illustrated from another angle.

The very thing which he associated with American "prosperity," i.e., the increase in bank deposits, was taking place on an enormous scale in Great Britain during the present depression. But whereas the Douglas theory sees bank deposits resulting from an increase of bank loans to industry, precisely the opposite took place. Bank loans were falling heavily during 1932 and bank deposits were increasing heavily! So much for this false theory.

Do the Banks Own Everything

Other illusions held by Major Douglas are that "with negligible exceptions, power to buy originates and is vested in the banking system" and that "the greater proportion of the larger industrial undertakings have passed from the possession of those who originally initiated and financed them into the control of banks and finance houses" (see evidence to MacMillan Committee).

In an address delivered at Ipswich on April 4th, 1933, Major Douglas said: "You can see at once that this monopoly of the power of creating money . . . means that those who are in possession of this monopoly are the potential or actual owners of everything produced in the world" (*New English Weekly*, May 11th, 1933).

The easily ascertainable facts belie this.

"Power to buy" is possessed by those who own valuable properties of all kinds, and it is fantastic to argue that all valuable properties have passed into the control of banks and finance houses. Major Douglas does not give and cannot give a shred of evidence to back up this nonsense. The overwhelming mass of profits flow from industrial and commercial concerns and not from banks and financial houses, and Major Douglas has only to look down the lists of shareholders of any typical industrial and commercial concern to see that the recipients of these profits are not wholly or mainly bankers. Are our millionaires all bankers? Is Woolworths, with its 70% profit in 1932, a bank? Are the coal, shipping and iron companies which made fabulous profits during the war, banks? Are the motor companies, the breweries, the Insurance Companies, banks? In America we have recently seen thousands of banks go bankrupt (why did they not get Major Douglas to show them how to "create credit?"), while Mr. Ford, an industrialist, actually had to come to the aid of banks in Detroit.

It will be noticed that at the MacMillan Committee Major Douglas said that control has already passed to the banks and finance houses. In his

address at Ipswich three years later he interposes the word "potential," and gives us the much more cautious statement that the banks are "potential or actual" owners of everything produced in the world. This access of caution, while intended to get Major Douglas out of one difficulty, only lands him in another. For if the second way of putting it is really intended to mean something different from the first way, then Major Douglas is asking us to believe that the banks could assume possession of everything but choose not to do so. If Major Douglas wants to say that, then it is up to him to explain so extraordinary a situation.

Let us examine somewhat more deeply the statement that possession of the greater proportion of the larger industrial undertakings has passed from the non-banker owners. Each year Whitaker's Almanack and the *Daily Mail* Year Book publish a list of the largest fortunes left during the past year. An examination will show that the fortunes made in banking are a very small percentage of the whole. By far the greater number are the fortunes of manufacturers and traders, coal and shipping owners, brewers, etc. In other words, their wealth has *not* passed to the banks. The list of 23 large fortunes in the 1933 Whitaker is a typical one. It includes £2,125,000 left by a shipping magnate, £1,055,000 left by the head of a tourist agency, £929,000 by the head of a firm of chemists, £1,522,000 by a provision importer, £764,000 by the deputy-chairman of an artificial silk concern, and £764,000 by a cotton manufacturer. The fortunes range from £456,000 up to £2,125,000, and other interests represented among the 23 are mining and shipping, another cotton manufacturer, groceries, housebuilding in London suburbs, brewing. In three or four instances the interest represented cannot be ascertained. There is only one large fortune which is that of a banker.

Is not the Prudential (with a dividend rate several times as high as that of any English bank) in possession of "power to buy?" Actually, with its £250,000,000 assets, its income of millions of pounds a week seeking investment, and its interest in or control over industrial and commercial concerns of all kinds the Prudential is probably a power greater than any English bank.

We have at least two instances of banking businesses being controlled by trading concerns, Messrs. Harrods and Messrs. Thomas Cooks. According to Major Douglas this ought to give them power to create untold wealth. Why don't they?

When the *New English Weekly* (a Douglasite paper) was asked to explain why, if they have so much power, the banks pay dividends so moderate in amount as compared with those of many commercial concerns, the editor gave the lame answer that the banks pay a moderate dividend as a

"matter of policy," but that they could pay "hundreds per cent." He gave no evidence whatever for his statement and, indeed, admitted that the bank's "secret reserves are secret," and that therefore he cannot know what they are. His statement, if true, must imply that the secret reserves are also kept secret from the Income Tax Authorities, otherwise the Government would have an unlimited income from income tax on the banks' reserves. The chief absurdity about the whole reply is the assumption that bank shareholders, who could, according to this argument, enjoy dividends of hundreds per cent., choose to be content with a mere 12% or 15%. The editor added that it is "control" the banks want, not profits—"their profits are relatively unimportant." This introduces us to a new and unbelievable type of capitalist investor, the man who wants nominal powers and not profits! Let Major Douglas tell us why some of the banks reduced their dividend in 1931 and 1932, and why they took the trouble to save a few tens of thousands of pounds by reducing the pay of their staff.

Why has not Major Douglas started a bank and made himself a master of industry simply by "creating credit?" Why do banks ever go bankrupt? Why do not Governments solve all their problems by going in for banking?

Obviously the whole thing is a myth and the reply of the editor of the *New English Weekly* is a desperate attempt to stop up a case which gapes with holes like a sieve.

As for the general proposition of a "deficiency of purchasing power" the increase in bank deposits during 1932 by £250 millions, the enormous oversubscriptions which take place here whenever a safe investment is offered to the investing public, and the continuing evidences of great wealth in the hands of the richest section of the population, these undisputed facts demonstrate unquestionably that the purchasing power exists and could be used to buy the goods which the manufacturers complain they cannot sell, if (and it is a big if) those who have the money wished to buy the goods.

Banks and Government

A sideline of the Douglas theory is that the banks control the Governments. This again will not square with the facts. The English banks, like English industry, work under the protection of Acts of Parliament. What Parliament made, Parliament could unmake if its members had behind them an electorate which wanted such a course of action. Recently we saw President Roosevelt overruling American banks, and we saw Hitler, on his rise to power, summarily dismiss one head of the Reichsbank (Dr. Luther) and replace him with another (Dr. Schacht).

The *New English Weekly*, in fact, has had to recognise that where the banks have obstructed certain Governmental policies they have only been

able to do so because the electors endorsed the policy of the banks. In its issue dated 26th May, 1932, the *New English Weekly* referred to the defeat of Labour Governments in New South Wales and Victoria (Australia), when they came into conflict with the banks. The Editor added the comment:—

It is idle . . . to lay the blame on the Bank of England or upon its agent, the notorious Mr. Niemeyer. The Bank did not cast the votes of the Australian electors or create out of nothing, as it does money, the popular reaction against the policy of Mr. Lang and Mr. Hogan.

The *New English Weekly* draws its conclusions:—

The moral to be drawn . . . we think, is that a radical monetary policy is possible under two forms of Government only—a dictatorship . . . or a "Patriotic Government" largely and predominantly composed of "Tory Aristocrats," by whatever name they may be called.

This is of interest as showing how essentially reactionary the Douglasites, like all so-called "currency reformers," really are; their policy can be carried out by "Tory Aristocrats," the ennobled Tory brewers, shipping magnates, newspaper proprietors, bankers and others who so lovingly safeguard the interests of the propertied class.

Conclusion

It is now necessary to summarise what has been said about the Douglas scheme, and put it into proper perspective in relation to Socialism and the working class.

It is based not upon knowledge, but on a profound ignorance both of the underlying forces of capitalism and of the superficial forms of trade and industry. It thrives on a ludicrous proposition which owes its persistence largely to the fact that it is so amazing. Those who hear of it and are not familiar with economic theories and terminology feel that it must be true because otherwise an intelligent person like Major Douglas could not have the stupidity to believe it or the effrontery to put it forward knowing it to be false. What these credulous persons overlook is that there is simply no limit to the nonsense which able but unscientific persons of limited experience are capable of believing when they wander into strange fields.

The Douglas Movement owes its support to a number of factors. Many people, particularly young ones, are not attracted by the established political parties, which they denounce as "the old gangs," nor can they fail to notice the economists' and politicians' manifest inability to grasp the problems of poverty and trade depression and to deal with them. The Douglas theory has the special attraction that it calls for little knowledge, no study, only a parrot-like mouthing of a few phrases, alleged (falsely) to be backed up by Mr. McKenna, Chairman of the Midland Bank.

It succeeds in winning adherents easily, because it deliberately avoids challenging the political parties. Instead of forming a political party with the definite aim of conquering power for the application of its schemes, the Douglas Movement relies on "peaceful penetration" into the existing parties. Thus it is able to boast that it has adherents, or at least sympathisers, high and low in the ranks of all the capitalist parties.

If the Douglas Movement came out in the open as a political party, it would quickly learn that gaining vague sympathy is a very different thing from winning more votes than the opposing parties. The other parties would very quickly turn their attention to smashing or swallowing the movement, according to whether they judged it to be a good vote-catcher or not. But as soon as one party took it up the other parties would turn and rend it.

In one instance, at least, the Douglasites did run a candidate in a local by-election, in the East Central Ward at Gateshead. The Labour candidate held the seat, and the Douglas candidate and a Communist candidate together only obtained 190 votes, an insignificant poll in comparison with the Labour vote (*New Clarion*, 11th February, 1933).

In a broader sense the Douglasites' attitude towards politics shows them to be completely without understanding of the problem before us. Leaving aside the question of the soundness of their theory their view is that a scheme has only to be shown to be practicable for it to be adopted. They ignore all questions of the nature and control of political power. Actually we see political power (which is the dominating factor) in the hands of a section of the propertied class. It is useless for Major Douglas or anyone else to come forward with a scheme unless (a) the scheme is attractive to those who wield power, or (b) that the steps are going to be taken by those to whom the scheme is attractive to obtain the power to put it into operation.

Does Major Douglas think that his scheme is likely to attract those whose interests are represented by the present Government, that is the bankers and big industrialists? Obviously not! Then what is Major Douglas doing to get these people out of power? The answer is, nothing! The probable reason (even if it is not consciously recognised by Major Douglas) is that any attempt to interfere in elections on a large scale would speedily deprive the movement of the major part of its funds and support.

It is a movement without an organised political basis; a parasite on the various capitalist parties. It has no real roots, and under the appropriate conditions is the kind of movement which would rush helter skelter after a Mussolini, a Hitler, a Lang, or any other loud voiced advocate

of violence as a cover under which to perpetuate and safeguard the sway of capitalism.

The Douglas movement has its chief propagandists among the professional section of the working class and among the little business men, conscious that big business is crushing them and lowering their standard of living, and unable to seek a way out except that indicated by big business itself. There is always scope for friction between the banks and moneylending capitalists on the one hand, and the industrial and commercial capitalist on the other, and, of course, the financial losses of the former might give corresponding gains to the latter. But where do the professional men and little business men come in? Will the great industrial and commercial combines give better pay and more jobs to their staffs as a result of getting the banks to reduce their charges on loans? Will lower loan charges save the little manufacturer from ruin? The little boot manufacturer thinks that if he could get money from the bank at 2% instead of 8% he would be better off, but he forgets that if everyone got loans at 2% competition would be intensified, because every other small boot manufacturer would be equally favoured. And still the big manufacturer would have the advantage given by larger scale production.

These facts are, however, obscured, hence the readiness with which any currency-mongering which promises "plenty of customers" and "cheap money" gains adherents among those who stand midway between the mass of wage and salary earners on the one hand and the large-scale capitalists in finance and industry on the other.

One incidental evil arising out of the Douglas movement is that, to the extent that it gains support among the workers and in the trade unions, it makes Socialist propaganda more difficult and weakens the effort to resist wage reductions. The worker who falls a victim to Douglasism quite naturally disregards Socialist propaganda. Douglas promises the millenium of unlimited wealth by the simple device of controlling the banks. In comparison Socialism looks dull and slow-moving.

On the trade union side the Douglasites say that if their theory is correct, all trade union organisation and action is a sheer waste of time. If the banks control all industry and all purchasing power, of what use is it to try to get higher wages out of the employers? On the political side he says it is of no use gaining control of the State. Logically, therefore, the Douglasite rejects both trade unions and political organisation. To him all political parties (including the Socialist Party) are useless. He is, in fact, if not in theory, the complete anarchist, satisfied to chant his sacred formulas in a world where preaching is futile unless followed up by political organisation and action.

Douglasism as a refuge for the bewildered is a product of capitalism's contradictions, and in

particular a product of capitalist crises. As a currency theory it is essentially not new or original, but has a record running back a century at least. It is utterly unscientific. As a separate political force it is negligible; although under certain conditions it might be used by sections of the industrial capitalists who want inflation. Socially it is based on some of the least stable and least conscious elements of the population. Economically it is reactionary. As a practical contribution to human progress it is worthless. H.

On Understanding Marx

"Towards the Understanding of Karl Marx." By Sidney Hook. New York: The John Day Co. \$2.50.

Karl Marx, the one-time almost unknown exile, the patient digger for economic facts in the British Museum Library, is now a "world figure." No man of his generation could claim so many alleged followers, so many bitter enemies, as Marx, if he were alive to-day. He has become almost a god for millions, a veritable devil for other millions. Just as the books of Voltaire and Rousseau were publicly burned in France in the years preceding the French Revolution, so the other day, on an immensely larger scale, tons of Marx's volumes were consigned to the flames by the fanatical Nazis in Germany, whose leaders, like Canute, hope to hold back the rise of the tide that will sweep away this capitalism.

No man's ideas have suffered more at the hands of his self-claimed disciples. Even in Marx's own time his views were distorted and misrepresented by would-be friends as well as opponents, so that Marx himself was driven to declare that he "was no Marxist." What, then, would he say to-day, when "Marxism" is used to cover all manner of ideas, from reformism and pacifism to the dogmas and crazy political "interpretations" of the Communist press?

A book which restated soundly and in reasonably short compass the fundamental ideas of Marx and applied them to modern events would at the present period prove especially valuable. The volume before us calls attention to the confusion that to-day exists as to Marx and his theories in its very title. It is noteworthy in several ways. Its author is assistant Professor of Philosophy at New York University, and, so far as I know, this is the first time a member of the staff of an "English-speaking" university has written a fairly full exposition on Marx. Furthermore, the book treats well and at greater length than is usual in introductory works, of the less studied aspects of Marx's system, especially the dialectic method and the interaction of activity and thought.

It is impossible to adequately comment on all the virtues and vices of a book so full of intellectual meat as this is, but, as it will probably

be widely read, it certainly calls for whatever praise or condemnation it merits from the Socialist point of view. There are many minor points of criticism that could be raised if space permitted, but the outstanding merits and faults of the work are all that can be dealt with here.

Let me commence with well-merited praise for the three fine chapters on the Materialistic Conception of History, which, in my opinion, except for one or two points to be mentioned, are excellent, and more satisfactory than the exposition by Boudin or that by Plechanov, in his valuable "Fundamental Problems of Marxism." The rebuttal of the manifold crude misconceptions of the theory, such as those which identify it with the views that economic interests on the one hand, or mere technical developments on the other, are the basic factors in history, is well, if briefly, done. An appendix gives the four valuable letters by Engels on Historical Materialism, in which he explained certain difficulties and criticised false interpretations.

I believe that Hook's *theoretical* treatment of the rôle of "great men" in history is essentially sound and far closer to Marx than the absurd view sometimes put forward as Marxian that their historic influence is practically negligible. It is all the more surprising, therefore, to find that when our author descends from the abstract to the concrete he falls into a queer contradiction of his main argument and enormously overrates the rôle of political leaders. In considering the question as to whether or not "great men" always arise when there is an historical setting which calls for them, he writes: "Why did not a great man arise to unify India against foreign imperialism in the nineteenth century, and China in the twentieth? Where was the great leader hiding when Italy was objectively ready for revolution in 1921 and Germany in 1923? Was he not needed then?" (p. 172). Apart from the false assumption that the "objective conditions" were ready in any of these cases, are we to believe that the "great leader" would have brought about the desired result if they had been? Hook may object to such an interpretation, but to me the unescapable inference of his statement is that Fascism triumphed because Mussolini appeared and a "Socialist" leader did not, or because Mussolini was a Fascist, not a Socialist.

The chapters on economics are fairly good, considering their brevity, though they are too abstract. On p. 193 there is a strange slip in defining "capital" in Marx's sense as "wealth used for the production of more commodities," instead of, as Marx always stressed, wealth used for the purpose of acquiring surplus value. (See "Capital," Vol. 1, p. 128, Glashier Edition.)

A grave fault of Hook's is that he takes a basic idea of Marx's and then rides it to death, exaggerating it to the point where it becomes

absurd, and in a manner which it is certain would have shocked Marx's logical sense.

Throughout the book he stresses Marx's philosophic tenet that the test of the truth of any theoretical proposition lies in action—upon the outcome of activity directed by the idea in question. Hook applies this principle correctly enough for the most part. But, when he writes, "What justifies Marx and Engels in holding that the mode of economic production is the *decisive factor* in social life is the revolutionary will of the proletariat which is prepared to act upon that assumption" (p. 181), he is straining the principle until it becomes sheer nonsense. Even if we overlook the slightly awkward fact that, except for a small minority, the proletariat have as yet no "revolutionary will" and are not "prepared to act on that assumption," Hook's view would fail to explain how it is that many bourgeois historians now accept the economic factor as decisive. I am afraid that they, unphilosophic fellows, simply "justify" themselves by an appeal to historic data and contemporary events, and this is precisely what Marx and Engels did.

Similarly, Hook, after appearing to give endorsement to the Marxian theory of value, declares it to be of little use in the analyses of complex economic phenomena or the prediction of economic trends, and says: "It is rather the self-conscious theoretical expression of the practical activity of the working class engaged in a continuous struggle for a higher standard of living . . ." (p. 222). Need I point out that the theory of value has never yet been the accepted theory of more than a small minority in the working class movement, industrial or political?

Again, at the close of a chapter in which he sets out to prove by historical examples the soundness of Marx's view as to the decisive rôle of class struggles in history, our author, true to his obsession, avers that, "the truth of Marx's theory of the class struggle can be established only in the experience of the social revolution, i.e., after class society has been overthrown" (p. 248).

It is difficult for us to take these aberrations of Hook's literally, for he writes as an advocate of Marx, but if we do they amount to a declaration that, for the most part, Marx's immense theoretical work is a mass of deductive, *a priori* reasoning, an elaborate "justification" for his revolutionary politics. Many open opponents of Marx have, of course, made this accusation, but it is new to find a would-be exponent tending in that direction.

Marx was a life-long revolutionist, but it is grotesquely untrue to even imply that he was nothing else, that everything he did and wrote was motivated almost exclusively by his revolutionary aims. No human activities are so circumscribed, though some neurotics tend that way, and Marx was thoroughly "human," very much of

an "all-round man," a man, as any alert reader of his works is bound to see, intensely interested in philosophy, science and history for their own sake as well as for their bearing on the problems of the working class movement, and he had a wide-awake intellect. Had he not been all this, the unscientific and unhistorical distortions that would have unavoidably crept into, even dominated, his work, would have exposed it to critical annihilation long before the expiration of half a century.

Hook has four chapters dealing with the distorted "interpretations" of Marxism by the German Social Democrats and the syndicalists of France, by which the former sought to justify their anti-Marxian policy of reformism, and the latter their non-political "direct-action," and he treats briefly but well of the economic and political conditions out of which these "schools" arose.

He describes what he calls the "orthodox canonisation of Marx" by Kautsky, Hilferding and Co. But when he comes to deal with Lenin, he subscribes to the latest "canonisation" without a blink. Though he can see the distortions of the Kautskyans he appears blind—or, at least, keeps silent—about most of those of the Communists. Just as the former had their roots in definite social conditions, so the newer distortions, the "orthodoxy" of Moscow, originally germinated in the underground, illegal struggles against the blood-soaked Czarist absolutism but was only brought to its present detailed perfection under the Soviet régime, with its dictatorship of the Communist Party *over* the proletariat and peasantry.

When Marx used the phrase, "dictatorship of the proletariat," which he did on extremely few occasions, he meant, as the context shows, nothing more than the political domination of the working class majority during the period of the socialisation of capitalist property. Hook appears to accept this view, but he refrains from pointing out that the Soviet dictatorship, with its disfranchisement of the old exploiters, its indirect and "managed" elections, its stifling and penalising of opposition opinion, even within the ranks of the Communists, find no justification in Marx's use of the phrase. This repression is without doubt necessary to the retention of power by the Communist Party in its present form, but, to justify it by "interpretations" of Marx is distortion of the crudest type. To be fair to Hook, he does not do this—he keeps silent on the matter—but roasts the Kautskyans. It is our business to call attention and to condemn both sets of "distorters."

Hook, following the general argument of the Communists, tries to prove (p. 287) that it was Marx's settled opinion that, in general, the workers can and will be compelled to resort to

armed struggle against the state in order to win political control. Now if Marx had laid this down as one of his major propositions it would be perfectly impossible to ignore the fact or suppress it. There would be no room for argument, at least, as to what Marx said. But actually, in the vast bulk of his writings, Marx said very little about revolutionary organisation and tactics or the form the revolution might be expected to take. Only in his earlier writings, during or immediately after the 1848 period of revolts, do we find any attempt at a detailed programme of action. After the revolts had subsided and it had become evident to him that capitalism had settled down for a far longer period of life and expansion than he had previously thought, Marx's statements on the proletarian revolution were in very general and guarded terms. He knew that neither he nor anyone else could lay down methods of procedure for an event that would not materialise for many years, and which would do so under conditions very different from those of his day and which would vary from country to country.

Hook writes, "Ultimately, whether fifty per cent. or ninety per cent. of the population support the revolution, the state power will be won not by pencil and ballot paper, but by workers with rifles. As late as 1872 in speaking of the continental countries . . . Marx wrote: 'It is to force that in due time the workers will have to appeal if the dominion of labour is at long last to be established.' Rifles against tanks, poison gas and aircraft?—come, come! Mr. Hook, and where would they get even rifles? Believe it or not, this slight quotation from Marx's voluminous writings is the solitary one that Hook gives to support his contention. It contains nothing to indicate that Marx was not referring to the use of force against the bourgeoisie *after* the working class had gained control of the state armed forces. The phrase, "as late as 1872" is significant. It shows that Hook is fully aware of the big difference between Marx's earlier and later views on working class tactics. Yet nowhere in his book does he point this out.

There were sound historical reasons for this difference. In the bourgeois revolutionary struggles of 1848, armed insurrection for the bourgeoisie and their working class allies was, in the absence of a wide suffrage, the only form of struggle available and, what is most important, the weapons and fighting methods then in use, made victory for the insurgents, under favourable conditions, possible. Marx and Engels then believed that "the bourgeois revolution in Germany will be but the prelude to an immediately following proletarian revolution." (Communist Manifesto, IV.)

Following the compromise of the German bourgeoisie with the aristocracy and the defeat of

the revolution, Marx in 1850 surveyed the conditions for further advance in his "Address to the Communist League." During the developing struggle of the workers along with the petty-bourgeoisie for a liberal constitution, he advocated the independent organisation and arming of the workers. But for the period which would follow the establishment of parliamentary government Marx urged the use to the full of the political franchise and conspicuously refrained from advocating the continuance of the workers in armed preparedness or the resort to armed risings. Marx knew that under the new conditions such risings would inevitably lead to crushing repression, the crippling of the workers' movement, and the possible abrogation for a time of the hard-won and politically invaluable suffrage rights.

In 1895 Engels, at the end of his fruitful life, wrote an introduction to Marx's old work, "The Class Struggles in France," and in it he summed up the lessons he and Marx had learned on this question of working class tactics during decades of economic and political evolution. A few extracts are quoted below, but the reader should on no account miss reading the enlightening essay in full. Engels wrote:

With this successful utilisation of the general franchise, an entirely new method of the proletarian struggle had come into being and had been quickly built up. It was found that the State institutions, wherein the rule of the bourgeoisie is organised, did furnish further opportunities by means of which the working class can oppose these same institutions. . . . And so it came about that bourgeoisie and Government feared far more the legal than the illegal action of the workers' party, more the successes of the elections than those of rebellion.

After showing in some detail how the newer developments in the art of warfare had rendered successful insurrection against the state forces impossible—and what would he have thought of those of to-day?—Engels continues:

If we are not so foolish as to please them by allowing ourselves to be led into street fights, there remains nothing for them save to be broken to pieces upon this fatal legality.

Of all this, Hook says not a word. He raises strong objections to the view expressed by Marx as early as 1872, that "there are certain countries, such as the United States and England, in which the workers may hope to secure their ends by peaceful means." (Quoted by Steckloff, "History of the First International," p. 240.) He calls it a "joker" that Engels qualified this by saying that Marx "never forgot to add that he hardly expected the English ruling class to submit, without a 'pro-slavery rebellion,' to this peaceful and legal revolution." ("Capital," I, xiv, Glaisher Ed.) The "joker," however, is on Hook, for it is obvious that by "pro-slavery rebellion" is meant one against the victorious workers and the state forces they controlled—which has no bearing as to the method of first winning such control. In his effort to show how for once Marx erred in

making this exception in the cases of England and America, Hook emphasises the numerous times in English history, from Cromwell on, that the government meted out violent repression, instancing Peterloo, Egypt, Ireland and India. What irrelevant argument! Who knew the brutality of the rule of the English capitalists better than Marx? But he also knew that even they cannot do exactly as they like, and he evidently believed that, faced by a powerfully organised and politically educated working class, victorious at the polls, the capitalists would be forced to relinquish the state power.

As for America, Hook asks: "Was it likely that in a country in which feeble and 'constitutional' attempts to abolish chattel slavery had called forth the most violent civil war of the nineteenth century, the abolition of wage-slavery could be effected by moral suasion?" (p. 295.) He overlooks the fact that the planters of the south and the capitalists of the north were separated geographically, and had separate State government and forces, and secondly, that the cause of the war was not "abolition" but "secession." Why, by the way, does he not instance the abolition of slavery in the British colonies, which was done constitutionally and almost without resistance? The reference to "moral suasion" is beside the point, for the Socialist case for parliamentary action does not rest on that at all but on the fact that a working class majority grounded in Socialism will constitute an irresistible political force.

At this point Hook wins the sympathy of his reader, when, after asking, "What led Marx and Engels into the error of qualifying their general position as they did?" he admits, with evident pain, that, "after toying with several hypotheses, the author frankly confesses that he does not know." (p. 296.) May I suggest to him that he turn again to the afore-mentioned Introduction by Engels and not only read it, for a casual reference (p. 31)—giving, however, no glimpse of its embarrassing contents—suggests he has already done this, but mark, learn and inwardly digest it. After which there may be no further need to toy with any more hypotheses. But—one never can tell.

As a trump card, our author warns us that: "The Socialists captured a legal majority of the Finnish Parliament in 1918. Before they could put through their programme, they were drowned in rivers of blood by an armed counter-revolution." (p. 290.) As an illegitimate argument this would be hard to beat. He omits to mention that Finland was and is a predominantly agrarian country, quite unripe for Socialism, that consequently the so-called Socialists were not Socialists at all but only reformers, and were far from having a genuinely Socialist majority behind them, and that the violent suppression was chiefly accomplished by German regiments specially brought over to do the job at the request of the Finnish ruling class—in

other words, not by the state forces of Finland but by those of another and more powerful state.

We have never held, as a matter of fact, that a merely formal majority at the polls under no matter what circumstances, will give the workers power to achieve Socialism. We have always emphasised that such a majority must be educated in the essentials of Socialist principles and have a party democratically organised and disciplined. It is the quality of the voters behind the vote that, in the revolutionary struggle, will be decisive. In our Declaration of Principles we stress the necessity of capturing the machinery of government *including the armed forces*. That is the fundamental thing. The method, though important, is second to this. The attitude of fetishism which the communists show towards "violence," their advocacy of street warfare against overwhelming odds, and their efforts to build up a party on mere desperation and unintelligent discontent only serves to make more difficult the Socialist education and organisation of the workers.

As a Socialist I can only conclude that Hook's book is going to contribute further to the *misunderstanding* of Karl Marx, however much some of his material on Marxian philosophy and Historical Materialism may enlighten the worker-student who is already fairly well grounded. Hook fails to give us a really satisfactory exposition of Marxian theories in relation to the problems of to-day, largely through falling under the spell of the new dispensation from Moscow. He has missed his mark.

R. W. HOUSLEY.
(Workers' Socialist Party, U.S.A.)

Address Wanted

If Comrade A. E. White will send his address, letters awaiting him at Head Office will be forwarded.

* * *

Sheffield

Open air meetings are held each Sunday at 7.30 p.m. at Barker's Pool, Sheffield.

* * *

Manchester

The SOCIALIST STANDARD can be obtained at the following newsagents:—

B. DAVIES, 56, Ducie Street, Strangeways.
"GORDONS," 96, Cheethamhill Road, Cheetham.

* * *

"Socialism."

A few months ago the first edition (20,000 copies) of our pamphlet "Socialism" was exhausted. A new and revised edition is now in the hands of the printers and will be on sale in August. 48 pages. Price 2d. Post free 2½d.

* * *

Trade Union Branches

The Socialist Party of Great Britain is prepared to consider applications from Trade Unions and other organisations for a representative to state the case for Socialism. Travelling expenses only are required.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E. 1, and
Printed for them by R. E. TAYLOR & SON, LTD., 56/57, Baner Street, London, R.C.1. (T.U.).

THE SOCIALIST PARTY OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be brought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	...	...	Clapham Common, 6 p.m. Finsbury Park, 5.30 p.m. Prince of Wales, Harrow Road, W.9. 8 p.m. Victoria Park, 11.30 a.m. Cock Hotel, East Ham, 7.30 p.m. West Green Corner, Tottenham, 8 p.m. Whipps Cross, Leyton, 8 p.m. Brockwell Park, 6 p.m. & 6 p.m. Liverpool Street, Walworth, 11.30 a.m. Ridley Road, Dalston, E.8, 8 p.m. Highbury Corner, N.8, 8 p.m. Leytonstone, Cowley Arms, Harrow Green, 8 p.m.
Monday	...	...	West Green Corner, Tottenham, 8 p.m. The Fountain, Forest Gate, 8 p.m.
Tuesday	...	...	Ridley Road, Dalston, E.8, 8 p.m. Highbury Corner, N.8, 8 p.m.
Wednesday	...	...	West Green Corner, Tottenham, 8 p.m.
Thursday	...	...	Ridley Road, Dalston, E.8, 8 p.m. Salmon and Bell, Bethnal Green, 8 p.m.
Saturday	...	...	Rushcroft Road, Brixton, 7.30 p.m. Jolly Butcher's Hill, Wood Green, 8 p.m.
Sundays	...	...	Barker's Pool, 7.30 p.m.

SHEFFIELD.

Sundays ... Barker's Pool, 7.30 p.m.

THE SOCIALIST STANDARD

The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

No. 348. Vol. 29]

London, August, 1933

*The
emancipation
of the working
class will
involve the
emancipation
of all mankind
without
distinction
of race or sex*

[Monthly. Twopence]

The Rise of Sir John Ellerman

THE REWARDS OF CAPITALISM

Last month the richest man in England, Sir John Ellerman, died. He was reputed to be worth about £30 million at the time of his death, and a few years ago he owned properties estimated at £55 million. His income was upwards of £1 million a year, about £20,000 a week, equal to the wages of eight or nine thousand workers.

Those who profess to believe that capitalism distributes rewards according to ability, diligence, thrift and other so-called virtues, hastened to point out what a splendid example Sir John Ellerman set to all of us. Was he not abstemious, they said, spending only a small part of his income? That is true. He was in the habit of spending on his own personal needs a mere 4 per cent. or 5 per cent. of the sums coming

to him day by day from his investments, but that 5 per cent. meant £50,000 a year—a mere trifle of £1,000 a week.

Yet, in spite of his wealth, those who knew him said that he had no interest in life outside financial operations and the control of his wealth—“his work was his hobby and his hobby was his work.”

We defy the capitalist economists and the capitalist Press to give a reasoned defence of a system which gives to one self-centred individual, obsessed with the single pleasure of exercising his financial skill, complete control over the means of life of tens of thousands of men and women. He controlled nearly 300 ships. He owned £3 million of house property. In Earl's Court alone he recently sold an estate of 1,150 houses and nearly 200 blocks of flats. Yet he used only one house himself. He was ground landlord of a large part of Oxford Street. At one time he had a large interest in *The Times* and was proprietor of *The Financial*

ON OTHER PAGES

“Socialism” in Queensland	Page 178
Marxism, a Virile “Ghost”	180
Provincial Propaganda Tour	183
The Friends of the Russian Government	184
The London Money Market	185
The Ethics of the Morality Muffs	188
The Socialist Forum	189
Mr. Lansbury’s Solitude for the Capitalists	192
Branch Directory	192

Times and several other papers. He took no interest in the journalistic side, but regarded them simply as means of piling up money. He had extensive brewing interests. At one period he had no less a sum than £10 million on deposit with London banks. In the last twelve months he made two separate loans of about £1 million to public companies.

On an occasion like this the newspaper writers boast about the stupendous wealth of the multi-millionaires as if it belonged to them. Yet this will not prevent them in a few weeks' time from asserting that "we are all capitalists now," that "wealth is becoming more and more equally divided," that companies are owned by small shareholders only, and so on, *ad nauseam*. By coincidence the man who is particularly notorious for keeping these false notions in circulation by his speeches and letters to the Press (Mr. Walter Runciman) is himself interested in shipping and cannot be unaware of the great fortunes made by Sir John Ellerman and others in that industry.

The reality of the contrast between the riches of the few and the poverty of the many was brought out in an advertisement issued last year by the Confederation Life Association as part of a campaign for popularising insurance. The Association claimed that carefully compiled statistics show that out of an average group of 100 men aged 25, 58 will be alive at 65. Of these 58, one will be wealthy, two fairly well off, five able to live on their savings, and 50 without enough to support them.

That is one side of a picture, the other side of which is the £30 million fortune of Sir John Ellerman.

In passing, it is worth while pointing out once more the absurdity of the assertion by Major Douglas, that all property belongs to the bankers. Sir John Ellerman was not a banker. The richest living man in England is the Methodist, Mr. Joseph Rank, who is also not a banker but has vast interests in flour milling. Other recent big fortunes disclosed at death have been Sir David Yule, £25 million—Anglo-Indian merchant; the Earl of Iveagh, £11 million—head of Guinness brewery; Sir George Wills, £10 million—tobacco; and Sir Joseph Robinson, £10 million—diamond magnate.

Facts, however, appear to matter little to the blind defenders of capitalism, or to the one-eyed critics of certain features of capitalism who belong to the Douglas school.

H.

LITERATURE SELLERS WANTED.

In order to increase our circulation and make the Party more widely known literature sellers are wanted to sell the "Socialist Standard" in busy London thoroughfares, at railway termini, etc. For this purpose Party members can be supplied with the "S.S." at trade rates. Will all members wishing to co-operate get in touch with the Literature Secretary at 42, Great Dover Street, S.E.1.

"Socialism" in Queensland

Distant Pastures Look Green

[Since the following article was written by our Australian Comrade there have been certain changes in the Governments of the Australian States, but this does not invalidate the argument.]

When we were young and our mothers chased us to Sunday School to give the old man a chance to have his Sunday nap after his weary week's toil, we were taught to sing the old ditty, "There is a happy land, far, far away." Whether or not we sang to help us forget the miserable land in which we dwelt we did not know, but it is amusing to learn that Labour politicians were serving up a political version of that old dirge to the workers in old England at that time in order to catch votes. Like the preachers, the politicians always seem to know of a better world somewhere, but it is never where we are. Therefore we are not surprised to hear that the I.L.P. was telling the English workers that there is a happy land, way down south, where Labour Politicians have established Socialism—to wit, Queensland.

The I.L.P. for many years has sold a pamphlet entitled "Socialism in Queensland," by S. B. M. Potter, and to show English workers that our Australian pastures were not as green as they were painted in Britain we offer a brief report on the conditions in the I.L.P.'s distant paradise.

On page 3 we are told that a clean sweep had been made of capitalist governments and that Labour was in office in five of the six Australian States. Since the pamphlet was written there have been elections and, at the present time of writing, there are Labour Governments in New South Wales, South Australia, and Victoria. In Tasmania, Queensland, and Western Australia, the Labour Governments were kicked out. in the Federal Parliament the Labour Party held power, having been swept in on a wave of dissatisfaction against the Bruce-Page coalition Government in 1929. The distribution of the seats may be one factor, but political confusion and lack of understanding is the main cause of the contradictory vote casting.

In many cases where a majority of electors send a majority of Labour candidates into the Lower House the same electors send a majority of Nationalist candidates into the Senate. The voting qualifications are the same and the result, consequently, reflects the confusion which exists among electors generally. It is with such an electorate that the I.L.P. claim that Socialism had been established.

The Ryan Government

Mr. Potter refers to the wonderful administration of the Ryan Government in Queensland and stresses the "anti-profiteering" policy embarked upon by Mr. Ryan. Sugar was reduced in price; meat was made cheaper; fish, food in general,

and other commodities were reduced in price. When we know that wages are adjusted almost automatically in Australia in accordance with cost of living figures compiled by the Commonwealth Statisticians, all this talk about low price commodities sounds very cheap.

Besides, wherever the Labour Party has indulged in Nationalisation, especially in Queensland, there have been strong suspicions regarding the manner in which the transactions have been carried out. The findings in the Royal Commission on the Mungana Mines transactions confirmed these suspicions to such an extent that Mr. Theodore, ex-Premier of Queensland, was sued by the Nationalist Government for restitution and damages in connection with having enriched himself enormously by the sales of the mines to the State. So glaring were the charges against him that Mr. Theodore had to relinquish his post as Federal Treasurer. His returning to that position before the charges had been dealt with by a court provided an excuse for a section of the Australian Labour Party, who can see the writing on the wall, to get into the Nationalist Party.

But let us glance at a few matters concerning the Labour "Socialist" Government in Queensland which Mr. Potter does not mention. In 1919 the meat workers were on strike and a bitter fight ensued between the meat workers and the meat barons. Did Mr. Ryan help the meat workers during the struggle? When the meat workers began picketing to prevent the scabs from taking their jobs and breaking the strike, Mr. Ryan rushed police reinforcements to the strike centres and the most brutal attacks were made on meetings of strikers by the Labour Government's armed police. The following excerpts from the local Labour paper contain historical mementoes of the occurrences:

Daily Standard, July 4th, 1919.

Resolution carried at the Returned Soldiers' and Sailors' League:

That we protest against the Police firing into an unarmed crowd on Sunday night last and this meeting demands a public inquiry from the Minister of Justice.

Daily Standard, July 14th, 1919.

One could hear small groups conversing about the arrest that afternoon of Messrs. Carney and Kelly, and the Police refused to furnish information or grant bail. Also the fact that Kelly had been taken from a sick bed and thrown into a cold cell.

Daily Standard, July 18th, 1919.

At a meeting of the Railway men last night 500 men were present. The position of the men suspended for refusing to scab was discussed. Much resentment is felt in Union circles over the Government suspending the men for refusing to scab.

Mr. Carney moved:

That this meeting of combined W.P.O.s protest against the Hunnish Police methods in the searching of houses and the examining of women and children, particularly regarding the gun raids, and the same be wired to the Premier at once.

It was also decided to take no action in selecting a Labour candidate until such time as an

inquiry "be made at Townsville into the police action on 'Bloody Sunday,' June 29th, 1919." The *Daily Standard* reports further that "Mr. Bolger considered that the State Government should be informed that its action in sending the police to fight Unionists was antagonistic to Labour interests in Townsville." The reply that the meat workers got from Mr. Ryan, the I.L.P.'s hero, was: "One thing is certain—that the authority of the Executive Government will be upheld." (D.S., July 9th, 1919.) However did Mr. Potter miss these "Socialistic" activities of the Labour Governments?

Let us leave the meat workers and take a trip to the Arbitration Court with the Railway men. In connection with the latter the *Daily Standard* published the following on September 13th, 1919:

The Government yesterday made a protest in the Arbitration Court against Mr. Justice McCawley's decision to fix the Basic Minimum Wage for Railway employees at £3 7s. 6d. . . . Mr. Madsen (for the Government) quoted Knibbs, to show that the cost of living in Brisbane was the lowest on the list with the exception of Perth. . . . If the Basic Wage were increased 3s. per week it would cost the State an additional £122,000 per year. . . .

Here we have a glaring example of the effect of the low prices on the wages of the workers in "Socialist" Queensland.

On page 6 Mr. Potter quotes the *Crewe Chronicle*, where it says: . . . "Turning to the railways, Socialistic management and control have proved disastrous." We are not siding with Mr. Potter in his opposition to the *Chronicle*, but we must point out the error of the latter here. The *Daily Standard*, October 28th, 1919, reported "Comrade" Fraser's speech thus:

He said it was a fallacy to say that they could not have high wages and low prices, and quoted instances in the Railways of how men were being paid higher wages than formerly and were able to show lower production costs.

In 1913 the value of output was £161,560,763.

In 1913 the wages paid were £38,606,087.

In 1914 the value of output was £166,450,508.

In 1914 the wages paid were £34,103,703.

In 1915 the value of output was £169,086,700.

In 1915 the wages paid were £33,210,654.

In 1916 the value of output was £172,574,845.

In 1916 the wages paid were £33,828,840.

In 1917 the value of output was £206,386,646.

In 1917 the wages paid were £36,618,218.

While the value of the output from 1913 increased

by nearly £45,000,000 the advance in wages or labour's share was only £4,000,000. . . . A strong Labour Party is the only hope in sight.

Notwithstanding these facts the railwaymen had to fight the Labour Government tooth and nail in an endeavour to protect their wages. Truly, as Mr. Potter says, the men who guided Queensland's political destinies had an "eye to the future of the State," but the Queensland workers were overlooked by these "Socialistic" visionaries of the future.

Railway workers have probably suffered more than any other section of Queensland workers at

the hands of the Labour Governments. Although it has been referred to in previous issues of the SOCIALIST STANDARD we might mention, in passing, the incident of 1927, when the railway men refused to scab on the sugar workers, and Mr. McCormack, then Labour Premier, not only sacked about 11,000 of them, but refused to let them have their jobs back until they signed a declaration that they would not take any such action in future!

Mr. Potter devotes a good deal of his pamphlet to the success of State trading under Labour Governments. Nationalist politicians quote figures just as voluminously to show the reverse. Between Labour and Nationalist politicians figures are distorted for the purpose of bolstering up their cases or knocking down the case of the opponent. Results are what counts with us, and the conditions of the Queensland workers speak volumes for the anti-working class character of the Labour Party.

The object of Labour administration, according to Mr. Potter, is to cheapen foodstuffs. Whatever benefit this can be to workers whose wages are based upon cost of living figures compiled by the Government Statistician we have yet to learn. Comparison with New South Wales shows how the workers in the latter State would be in advance of the Queensland workers for seven adjustments out of nine from 1923 to 1928. The index numbers and wages were:—

N.S.W.		QUEENSLAND.	
Index No.	Wage.	Index No.	Wage.
Dec 31 1923	1844	94/6	1837 94/2
" 1924	1824	93/6	1868 95/9
" 1925	1873	96/-	1960 99/11
" 1926	1959	100/5	1952 100/1
" 1927	1988	101/10	1953 100/1
Mar. 31 1928	2004	102/8	1970 100/11
June 30 1928	2002	102/7	1969 100/11
Sept. 30 1928	2003	102/8	1969 100/11
Dec. 30 1928	2001	102/7	1974 101/2

(Commonwealth Year Book, 1929.)

The foregoing should be sufficient to convince even an I.L.P.'er that "Socialist" Queensland is not such a "happy" land after all.

We who have lived in sunny Queensland have had our minds seared, not by the tropical sun, but by the red-hot attacks of Labour Politicians. It might be alright to put this stuff across Mr. Churchill, who said that Labour was unfit to govern, but when Mr. Potter has had as much Labour rule as have had the Australian workers, he might write in a different strain.

As to the I.L.P., it is their business to find an election cry, and to them one is as good as another, as long as it gets the votes. As for the Socialist Party, we do not potter about with capitalism, we want to end it. All the fanciful pictures of distant pastures leaves us cold. As soon as the workers agree with us and act in accordance with the principles of the Socialist Party, all pseudo Socialism will be abolished along with the capitalist system, by the establishment

of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interests of the whole community.

W. J. CLARKE,
Socialist Party of Australia.

Marxism, a Virile "Ghost"

According to an article in *John O' London's Weekly*, dated May 13th, 1933, "Marxism is Dead," and though students of Marxian thought may feel ill disposed to mourn the loss of one departed spirit alone, we find the theories of Adam Smith coupled with those of Marx.

In passing, we should like to take the opportunity of mentioning that the number of times Marxism has been "appointed dead" during the last half century must surely surpass the number of times the world has been "coming to an end" since the going of Jesus Christ.

However, the death of Marxism having been "duly certified," the writer of the article in question proceeds to the post mortem examination. But what does the analysis reveal? Lest Marxians should await the result of the analysis in fear and trembling, we hasten to disclose the findings of our journalistic analyst. Let us reproduce his own words. After suggesting that the two most important books ever written on political economy are "The Wealth of Nations," by Adam Smith, and "Das Kapital," by Karl Marx, our critic says:—

"The doctrines of Adam Smith and Karl Marx alike are, of course, discredited amongst modern students of economics for the simple reason that those doctrines left out the human factor."

It further appears that both Marx and Smith helped to bring their own works to disaster because of "their essentially materialistic outlook on the economic activities of mankind."

What a revelation, indeed! We seem to remember hearing all this before, many a time. Anyhow, aside from the positively untrue and dogmatic assertion that Marx's theories are discredited amongst students of economics (unless it is meant that they are discredited by those who oppose Marx's theories, in which case we sympathetically agree). What, may we ask, is meant by the "human factor." Presumably, since no details are given by our critic, we can but conclude that we have once again encountered that hoary objection to Marxism that it leaves no part to the influence of human behaviour in moulding the history of human society.

Now, were it not that this notion is so often stated in open or disguised form, even by pseudo-Socialists, we would feel impelled to act similarly to the Pharisee of old and "pass by on the other side." But, unlike the Pharisee, instead of thanking "God" for not being "as other men," we should confer the honour upon Marx himself. For even a casual study of Marx's works is sufficient to dispel the illusion stated above. But

perhaps a casual acquaintance with his writings is too much to expect from some of his critics.

Rather does it seem that the one indispensable condition for a criticism of Marxism is not to have read Marx at all. Or to have read him and ignore what he says. Significantly enough, in the same article from which we have quoted, the writer says quite bluntly: "It is safe to say that not more than a very small percentage of Marxian Communists have ever read 'Das Kapital' or any of their master's voluminous writings." From which we gather at least one of the reasons for his criticism, for, if only a comparatively small number of Marx's adherents are adequately acquainted with his writings, then it is fairly safe to make any kind of attack upon those writings. One may gain access to a "coward's castle" at any time, where ignorance and credulity offer an easy passport.

However, what was the materialistic outlook of Marx? Did he fail to observe the operation of what is called the human factor?

These are questions which have often been replied to in the history of Socialist thought and will bear answering again in view of the continuously increasing interest in Marx's theories.

At the moment we shall do well to let Marx speak for himself. When dealing with a series of events in French history during the nineteenth century Marx wrote as follows:—

"Man makes his own history, but he does not make it out of the whole cloth, he does not make it out of conditions chosen by himself, but out of such conditions as he finds close at hand."

This is taken from a work in which, from first page to last, he proves how men acting upon the political and economic conditions of their time, exerted a considerable influence upon them. We refer to "The Eighteenth Brumaire of Louis Bonaparte." Again, when contrasting the materialistic views of some of his predecessors with his own, Marx declares in the most unmistakeable manner:—

"The materialistic doctrine that men are the products of conditions and education, different men therefore the products of other conditions and changed education, forgets that circumstances may be altered by men and that the educator has himself to be educated." (Engels, "Feuerbach," appendix, page 130.)

What could be more clear and comprehensive than these two statements. Those who really want to understand will find in them the foundation stones, so to speak, of the science of sociology, the science dealing with human society, and the history of its development.

But to return to the matter of Marx's materialistic outlook upon mankind. The materialist attitude of mind, both in science and philosophy, which took definite form in the eighteenth and nineteenth centuries, was the result of a lengthy process of investigation made by thinkers over many centuries. Hence, apart from

certain definite modifications introduced into materialist thought by Marx, materialism as a doctrine was no more the exclusive product of Marx's brain than the general theory of organic evolution was that of Darwin's. Historically considered, the foundations of materialism were laid by some of the greatest thinkers of Ancient Greece. Democritus, Heraclitus, Empedocles, Aristotle and Hippocrates, were among the ancient minds who formulated the rough and ready groundwork of all modern materialist methods of thought, despite the fact that they lacked the solid backing at the disposal of modern scientific workers.

Democritus formulated his world-renowned theory of the atom and indicated the general truth upon which modern science rests, namely: "Nothing comes from nothing, and nothing is ever annihilated." In this view-point he was followed by a number of thinkers who endeavoured to explain the whys and wherefores of existence, aiming all the time to find the cause or causes of things within nature's own operations. Some idea may be gathered of the influence these men had on the world of thought and understanding immediately around them, from that powerful poem of classical antiquity, "Of the Nature of Things," by the Roman poet, Lucretius. He attempted to explain the many phases of existence, including man himself, biologically considered, and the rise of mankind from the savage to the civilised state, by means of purely natural causes. Amongst his most notable examples in this direction are his suggestions on the origin of speech and language. Says Lucretius:—

"But Nature 'twas
Urged men to utter the various sounds of tongue,
And need and use did mould the names of things,
About in same wise as the lack-speech years,
Compel young children unto gesturing
Making them point with finger here and there, at
what's before them.
For each creature feels by instinct to what use to
put his powers."

Of course, modern scientific thought would not put it in quite this way, but it cannot be logically disputed that here, at last, are the germs of a rational interpretation of natural phenomena.

In effect, the whole mode of reasoning here referred to marked a revolutionary departure from the primitive and age-long method of regarding all manifestations of existence as though some power or powers outside and above nature guided and controlled existence. Those of our readers who are desirous of obtaining detailed information concerning the methods of enquiry of the Greeks, and even thinkers of recent times, should consult "The Biographical History of Philosophy," by George Henry Lewes. This work is easily one of the best of the nineteenth century's productions.

However, it is not without significance that these early attempts at a true understanding of nature's workings were suppressed or kept in the

background by the tyranny exercised by and through the power of "Holy Mother Church," but a discussion of this need not detain us at this juncture.

But when the revival of learning and the spirit of "free" enquiry arose after the "long winter sleep of the Christian Middle Ages," the formulas of some of the Greek thinkers were revived and re-employed in investigation, but this time with the more ripened experience and accumulated knowledge of a later social advancement. Perhaps it will appear strange to some to learn that, in the words of Engels: "The original home of all modern materialism, from the seventeenth century onwards, is England." A nasty knock this for those who attribute the origin of materialism to Germanic sources in the attempt to preserve the illusion of "English respectability."

Bacon, Hobbes, Locke, Hartley, Priestley and others form a band of thinkers who, by the scientific method of observation and experiment in their various fields of research, helped to furnish the truth of modern materialist thought. Further, the growth of the various natural sciences from the fifteenth century onwards until the explanation of the origin of species by Charles Darwin, in the middle of the nineteenth century, mainly settled the question as to whether natural phenomena had a natural or supernatural origin.

Astronomy, Physics, Chemistry, Geology and Biology were the sciences which, each in their turn, presented the world with a picture of nature's workings without the aid of any external power. In strict logic the "Gods" were consigned to the limbo of the dark and ignorant past.

Pierre Laplace, the eminent French astronomer and mathematician, truly summed up the position in his reply to Napoleon. Asked by the Emperor why he had not even mentioned the supernatural in his work, "Mecanique Celeste," Laplace replied: "Sire, I have managed without that hypothesis."

Nevertheless, despite all that had been accomplished in the physical sciences, the last stronghold of supernaturalism was, as yet, to be conquered, namely, human society and its history, the science of sociology was yet to be placed upon a sound foundation.

It was inevitable that as something approaching exactitude had been established in the natural sciences, human history and its modes of being and becoming could not for long be left outside the general trend of scientific thought and classification. Unquestionably, it was no mean task to survey the history of human society and reduce its movements to the operation of ascertainable natural laws, for the simple reason that history had mainly presented itself as a "crude heap of irrationality and violence." The great task consisted in discovering some sort of order

in the seeming disorder of historic events and their relationship and interconnection with one another. Further, was human society and its mode of being always the same as it presented itself to the general view of the nineteenth century, or had it also experienced an evolution, a process of development, such as had been ascertained in the purely physical world? In other words, could the principle of natural causation apply here as elsewhere? An affirmative answer to these questions was finally given by means of the materialistic method.

Thomas Henry Buckle, the author of the introduction to "The History of Civilisation in England," is outstanding among a few historians who made noteworthy attempts to formulate the laws of social development. Buckle saw clearly enough that such notions as chance action, the alleged free will of man theory, the doctrines of predestination and supernatural guidance could account for nothing of value to the problem of history. Moreover, he openly said so. Buckle went direct to the purely physical surroundings of mankind to find an explanation. Climate, Food, Soil and the General Aspect of Nature were the agents chosen by him to explain the rise and growth of society and its institutions. Rightly or wrongly this was a method of historical research which cannot be said to be other than materialistic throughout. It sought the material background of human existence as the propelling force behind the rise of society from its earliest beginnings.

But Buckle's theory of physical geography fell short in its application to the major question to be answered. Granted that it could account for the background, so to speak, of human endeavour in its earlier stages, but since the conditions of physical geography remain fairly stationary over immense periods of time, they could hardly be said to account for the many remarkable changes in human society that have taken place in historic times.

The real explanation to the problem was discovered and most comprehensively stated by Marx, with Engels and the American Ethnologist, Lewis Henry Morgan, making the same discovery independently of each other. This explanation is now known throughout the world as the materialist conception of history. Briefly, it is founded upon the recognition of the simple fact of organic existence, not, by the way, disputed within the domain of biology, that the primary need of mankind is the acquisition of the means of subsistence, and, therefore, the manner by which these are produced and distributed, forms the basis of all social organisation, no matter how varied the form such social organisation may take.

Further, this theory ascribes the final causes of all great social changes, namely, the changes

from one form of society to another, to the changes which take place in the means and methods of producing and distributing the wherewithal to live, whatever form they may take, at particular stages of social development. We respectfully ask readers to note the phrase, "final causes of social change," and not the sole causes as is so often wrongly conceived or stated.

However, this is the essence of Marx's crowning "crime," to use the phrase of our critic, his "materialistic outlook upon the economic activities of mankind."

From what we have so far stated, it should be perfectly plain that materialism as a system of thought amounts to our accounting for the operation of natural forces, through "laws" of nature herself. Observation and experimentation with the facts of existence, with verification through experience, is the kernel of the materialist doctrine. As far as human knowledge extends, the principle of causation is seen to be operative throughout nature, in all its manifestations, and whoever seeks to overthrow the materialist method must produce from nature something without a cause. We leave to other minds, however, this attempt at miracle working.

(To be continued.) ROBERTUS.

Liverpool, and another on Tuesday at Birkenhead—two areas in which relatively little propaganda has been carried on by the S.P.G.B.

At Eccles, on Wednesday, a meeting was carried on from 7.20 to 11 p.m., amidst lively opposition from Communist and Labour Party supporters. The audience, however, listened sympathetically to our speakers.

Two meetings were held at Sheffield, on July 6th and 7th, with assistance from local comrades.

The tour ended with a good meeting at Hull on Saturday, July 8th.

Most of the time the party camped out and were thus enabled to cover much ground at a minimum cost, although, of course, the necessity of finding camping sites and making all preparations threw a great deal of work on the four members. All four assisted at meetings, either as speakers or chairmen, selling literature and taking up collections, etc.

The distance covered was about 550 miles, and the times and arrangements made in advance were kept to the letter. At a total of eleven meetings literature sales amounted to £2 3s. 10d. and collections to 18s. 7d.—a highly satisfactory result in face of the widespread unemployment and destitution in many places visited.

The members of the party greatly regretted that it was not possible to make their tour of longer duration. They, and the members of the branches visited on route, have no doubt that excellent work has been done in this short period.

It is impossible to mention by name all the local comrades who attended the meetings, gave hospitality, and helped the tour in every possible way. The four comrades greatly appreciated the welcome and assistance they everywhere received.

* * * * *

Spade Work in Hull

Much-needed propaganda has been carried on with good effect in Hull during recent weeks, by Comrade Cash, who is staying there at the invitation of a local comrade. In about two weeks, at the end of June and beginning of July, ten meetings were held, with an average audience of about 60 or 70, and with small but steady sales of literature. In view of the difficulty of gathering an audience almost single-handed, and in view of many unfavourable local conditions, the interest aroused has been quite satisfactory. With continuous propaganda good progress could be made here. Hull members and sympathisers are urged to give their support.

Bloomsbury Branch.

The series of lectures will be discontinued during August but will be resumed in September. Branch meetings will be held as usual at the A.E.U. Hall, 39, Doughty Street, corner of Guildford Street, W.C.1, on Friday evenings, at 7.30 p.m.

THE
SOCIALIST STANDARD



AUGUST,

1933

OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 3d.

The Friends of the Russian Government

Some recent activities of the Russian Government which received little notice in the Press are of sufficient importance to be placed on record. They should be studied by those who believe that the friction between the Russian Government and some other governments is different in kind from the trade quarrels which are always taking place between national groups of capitalists and the governments they control. Socialists have long pointed out how the need to find markets abroad and to borrow money from foreign capitalists to pay for imports of raw materials and machinery, etc., overrides other considerations in the relationships between capitalist states, so that religion, patriotism and humanity all have to take second place when trade and profits are at stake. It does not surprise us, but it may come as a shock to Communists, that the requirements of expanding capitalist industry in Russia should have induced the Russian Government to adopt the same callous attitude as the rest of the powers.

We refer to agreements just made or renewed between Russia, on the one hand, and the three open dictatorships on the other—Italy, Poland and Germany. The following description of these agreements is taken from an official Russian publication, the Moscow Narodny Bank "Monthly Review" (May, 1933).

First, Italy:—

The Soviet-Italian Agreement signed on May 6th by Signor Mussolini . . . and M. Levenson, the Commercial Representative of the U.S.S.R. in Italy, though not the first to be concluded between the two countries, is of special importance at the present time.

This Agreement has been welcomed in both countries as demonstrating the continued economic collaboration between the U.S.S.R. and Italy. . . .

The Soviet-Italian Agreement is a new proof of the desire of the U.S.S.R. to maintain normal relations with the rest of the world and that some countries appreciate the need of such relations and are determined to utilise them for the good of both countries.

Then Germany:—

On May 5th the People's Commissar for Foreign Affairs of the U.S.S.R., M. Litvinov, and the German Ambassador in Moscow, M. von Dirksen, exchanged Notes on the ratification of the Agreement concluded in Moscow on June 24th, 1931, which has now become operative. At the same time an exchange of Protocols took place for the continuation of the Berlin Treaty concerning neutrality and non-aggression of April 24th, 1926, and of the Convention concerning the Procedure of Conciliation of January 25th, 1929.

The Protocol states that the two Governments, by prolonging the Treaty, *intend to continue the existing friendly relations between the Soviet Union and Germany*, and to further collaboration which is in the interests of both countries and contributes towards assuring the peace of the world.—(Italics ours.)

The Treaty of 1926:—

Lays down the principle that the contracting parties are not only to observe neutrality if one of them is attacked by a third Power, but they undertake not to participate in any economic or financial boycott against the other party.

This last provision, incidentally, prevents Russia from supporting the boycott of German goods, which the trade unions in various countries are organising as a protest against the Hitler Government's brutal treatment of Communists and others.

Mr. Fenner Brockway, who supported the move by the I.L.P. to form a United Front with the Communists, writes (*New Leader*, June 16th) that the Communist International, because of this agreement with Hitler, "has opposed an international working class economic boycott of Germany."

Lastly, there is Poland, where Pilsudski is dictator, often referred to by Communists as the "butcher":—

On May 2nd a delegation of six representatives of the Commissariat for Foreign Trade of the U.S.S.R. arrived in Warsaw at the special invitation of the Polish Government and was accorded a very warm reception. . . .

A satisfactory improvement has taken place in the past few months in the economic and political relations between the Soviet Union and Poland.

The Non-Aggression Pact recently signed between the two countries is a very important symptom of this change, which is also reflected in the transactions between the two Governments. The recent visit of the Soviet Minister in Warsaw to Marshal Pilsudski, who very rarely receives foreign diplomats, is another indication of the welcome change that has taken place. *The Governments seem determined to utilise the existing friendly relations to the best advantage of both countries.*—(Italics ours.)

So we have here a pretty picture of the Russian Government making agreements and seeking to cultivate "normal" and "friendly" relationships

with Italy, Poland and Germany, while the Governments of Mussolini, Pilsudski and Hitler, carry on their normal brutal repression of all opposition, including Socialists and Communists. Are the Communists in the prisons and concentration camps of these countries expected to rejoice when they read that Russian envoys received "a very warm welcome," and that Pilsudski has graciously condescended to receive the Soviet Ambassador, and that Russia undertakes "not to participate in any economic or financial boycott" of Hitler's Germany?

This is in striking contrast with the generous declaration made by the Bolsheviks when first they seized power that they regarded Socialists all over the world as being under their special protection.

It is also an ironical commentary on the depths to which Socialism has been dragged by the well-meaning people who advocate the seizure of power before a majority is prepared to accept and work for Socialism, that the four principal dictatorships have as their figureheads men who have claimed to be Socialists and have learned how to be successful demagogues in the ranks of so-called Socialist parties—Hitler in Germany, who brazenly proclaims that his advent to power means the early triumph of Socialism; Pilsudski, who led the so-called Socialist Party of Poland into the bog of Polish nationalism; Mussolini, who did the same in Italy; and lastly, Stalin, who rose to eminence on the backs of the men who led the seizure of power in Russia in 1917, and who now cultivates friendly relations with his three fellow dictators.

seem heretical to the "credit creationists" and the followers of Major Douglas, but it is nevertheless a mere description of facts known to anyone who is familiar with banking practice.

The London Money Market

If you take a walk through the streets of London you will not find the Money Market, as you would find, say, Leadenhall or Smithfield Markets if you searched for them. The Money Market, while it has a name, has no local habitation. The term must not be considered to indicate a particular place where a particular type of business is transacted, but the organised relationships that have grown up in connection with a certain class of financial dealings. What are those dealings, and between whom do these organised relationships exist? To answer those questions is to describe the London Money Market and that it is now proposed to do.

A Market, in the sense in which the word is used in the phrase "the money market," means the organised bringing together on a payment basis of entities with complementary needs. Any market has two major features therefore, it can be considered firstly with regard to the thing dealt in, secondly with regard to those who deal.

The money market is concerned with "short-term money" and "short term paper." Let me explain what is meant by these terms. First of all, short term money. To describe what is meant by short term money it is necessary to digress for a moment to give an account of how a bank works. What follows will

THE SOCIALIST PARTY OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

The business of banking in its essentials is a very simple affair. It is only in certain uninstructed and perverse minds that the banker is regarded as a Cagliostro, who out of nothing creates something, who spends what he never had, and lends what he never received. In fact the banks are not magicians, but in the main plodding creatures of routine who borrow money with the one hand and lend or invest nearly all of it with the other. What the banker lends is determined by what he has of his own, and what he can borrow. The banker borrows by accepting deposits from customers. Those deposits he undertakes to repay either on demand, that is, when the deposits are on current account, or after some stipulated period of notice has been given, that is, when the deposits are "time" deposits. The banker, then, can be considered as starting out in business with the capital with which the bank was founded plus the funds lent to him in the form of deposits by depositors. Accumulated profits in the form of undistributed reserves will in the process of time add to the funds which he can employ in his business. Having acquired funds in this way the banker's object is to employ them as profitably as he can, consistently with the safety of his business. It would not do for him to sink all the funds entrusted to him into, say, a gold mine, even if over a period of years it promised to yield huge profits, for he must hold himself prepared to repay his depositors at any time. His object is, therefore, to keep a "liquid" position, i.e., to invest the bulk of his funds in such a form that they can easily be converted into cash at any moment that may be necessary, without any, or at least only a small risk of loss.

A large portion of a banker's assets will, therefore, be held in an easily realisable form. First of all, there will be his actual cash reserve consisting of notes and coin in his own till, and current account balances with other banks. The Clearing Banks hold their balances with the Bank of England, the private banks hold theirs with the Clearing Banks and the Bank of England. But cash in the till, and in a current account, earns nothing, and the banker's object is to make profits, so that only a limited amount is held in this way. The next liquid item among the banker's assets is his short-term money. This consists of his cash surplus which he does not want to keep in the till and which he is prepared to lend for short-term at a rate of interest. There exists a special class of borrowers—the discount brokers of whom I will have more to say later—who are in a position to utilise funds liable to be called from them at short notice. Short-term money, therefore, can be stated to be that part of a banker's cash which he is willing to lend with the right to recall at a moment's notice, or, in some instances, at a few days' notice. It is the duty of the manager who

"keeps the till" in each head office of a bank to make an estimate first thing each morning, of his probable incomings and outgoings. Suppose that on a particular day he estimates that he will receive £5,000,000 more than he will have to pay out, and that he has sufficient cash in the till, and a large enough balance in the Bank of England. He then decides that he can lend £5,000,000 of short-term money. On the other hand, if he estimates that his payments will exceed his receipts he will decide to demand repayment of some of the short-term money that he has lent. Not all the short-term money with which the money market works represents bankers' surpluses, but for present purposes this is a sufficient approximation to the truth. In passing, it might be pointed out that the banks in lending or demanding repayments of short-term money, in order to adjust their cash positions, throw a revealing light on modern financial controversies regarding the power of bankers to "create credit." A bank regulates the amount of short-term money it lends in the light of the relationship between its daily receipts and daily outgoings. If it receives more than it pays out it lends money; if it pays out more than it receives, it demands repayment of money lent, in the language of the market it "calls." No bank manager faced with an excess of payments over receipts has ever been known to say: "I won't call in any of my short-term money. I'll create some credit to fill in the gap," even although that would be a simpler and much more profitable way in which to meet the situation if such a thing were possible. No! he does just what an ordinary individual does in similar circumstances, he realises part of his assets. He does not create new assets. The reason is simply that a bank like you or me, has not yet discovered the philosopher's stone and cannot "create" credit. The banker can only direct into certain channels the funds entrusted to him.

So much for short-term money. What of "short-term paper"? Short-term paper falls into two categories—"commercial" paper and "government" paper. By paper is meant bills which fall due for payment at some future date. In London few bills run for more than three months (or 90 days), many only run for 30 or 60 days. Perhaps it will help to make the matter clear if I give a brief account of how commercial bills originate. The following is a typical example:—

A merchant in London may wish to buy hides from an exporter in Montevideo. The latter is willing to sell but wishes to be assured of payment. The merchant, therefore, goes to his bank and arranges for a "letter of credit" to be opened in favour of the Montevideo exporter to cover the cost of the shipment. In other words, the merchant arranges for the bank to advise the exporter that he can "draw a bill" on them which they under-

take to pay. This undertaking by the bank is sufficient guarantee for the exporter, who accordingly ships the hides and draws a bill on the bank for the cost. The bill will be made out in something like this form: "To such-and-such a bank in London please pay to X. ninety days after sight £1,000 in connection with shipment of hides per s.s. 'Darien.' Signed —."

This exporter's bill is payable in sterling ninety days after being presented to the London bank. Now the exporter does not want English currency after ninety days but local currency immediately, so he sells the bill to an exchange bank in Montevideo. The latter send it to their London agents, who present it to the bank on which it is drawn. If it is in order the latter will then "accept" it, that is, they will write their name across the front of it. By so doing the bank definitely admits its liability to pay the bill on maturity.

This is known as accepting a bill, and the bill, after acceptance, is known as a "first-class bank acceptance." If a bill is drawn not on a bank but on an importer, and accepted by him, it is not a bank acceptance, and its ranking in the world of bills will be dependent upon the standing of the acceptor. But to revert to the accepted bill which is in the hands of the London agents of the Montevideo exporter. This entitles them to receive its face value after 90 days. But they may want funds at once. They can obtain them by selling the bill now for something less than its face value. This is known as "discounting" the bill. It is the discount brokers whom I have mentioned already who specialise in discounting bills, i.e., in giving cash here and now in exchange for promises to pay cash at a later date. So much for commercial bills, which are bills arising out of ordinary trading transactions.

Now we come to Government short-term paper, i.e., Treasury Bills. The Treasury's collection of revenue from taxation does not coincide in point of time with its expenditure. Sometimes it is paying out faster than revenue is coming in. At other times, *vice versa*. To smooth out the flow of revenue and expenditure, therefore, the Treasury wants to borrow at "short-term." This it does by issuing Treasury Bills which are nothing more than promises by the Treasury (i.e., the Government) to pay the amount indicated on the face of them at a given date. Each week the Treasury announces the amount of Treasury Bills it proposes to issue, and they are tendered for by the banks and discount houses. The highest bidders, i.e., those who are willing to charge the least for lending cash to the Treasury, have the bills allotted to them.

Having considered the things dealt with in the money market, i.e., short-term money and short-term paper, let us turn to those who form the market. They form a hierarchy. First, we have

the discount companies. These are mostly private and partnership concerns working with very little capital of their own. Their business is to borrow short-term money whenever they can and to utilise it by discounting bills. Their profit consists in the difference between the rate at which they borrow and the rate at which they discount. The margin will be very small, probably only 1/32 of one per cent., but this is calculated on their turnover during the year, and the sum may be very large in proportion to their own capital.

At the end of 1932 the three large discount houses, whose capitals total £3½ millions, had discounted £177,000,000 of bills. If short-term money is scarce relative to the demand for it the price will rise, i.e., the rate of interest payable on loans will rise. This will lead the discount brokers to charge more for discounting bills.

Above the discount houses come the lenders of short-term money, the joint stock banks, the merchant banks, and accepting houses. They have already been referred to, and here it is only necessary to add that not only do they supply the discount houses with the funds with which they work, but they also buy bills from the discount houses if they wish to increase their own bill holdings. At the top of the money market hierarchy stands the Bank of England. It occupies its position of importance because it is to it that the market has to have recourse in times of stringency. If the banks are demanding repayment of their loans and the discount houses cannot otherwise obtain the means to carry all their bills, their only remedy is to seek assistance from the Bank of England. This can be done in one of two ways, either by discounting approved bills at the Bank at the official rate of discount, i.e., the Bank rate, or by borrowing at the Bank's rate for short-term loans, which is half per cent. above Bank rate. The Bank of England does not lend for less than a week. As the market rate of discount is normally below the Bank rate, the discount houses will not have recourse to the Bank of England unless they are compelled, as it involves them in loss on their bills. At a time, therefore, when short-term money is scarce, and the market has to have recourse to the Bank, the Bank rate will tend to rise and the open market rate to follow. In turn, short-term money rates will rise.

The Bank of England, therefore, in times when money is "tight," that is, when the supply of short money available at the lending banks is insufficient to meet the market's requirements, is able to determine money rates. At times of monetary ease the Bank of England cannot so easily control rates, and the gap between the official rate of discount and the open market rate will tend to widen. Unless the Bank of England then takes steps to draw off some of the excess of short-term funds by selling, in the open market, securities

out of its holdings, the official rate will move downwards in sympathy with the open market rates.

This adjustment of rates throughout the market in response to changes in monetary conditions is one of the most convincing pieces of evidence available to show how delicate a mechanism the London Money Market is. The fact that it weathers storms such as those produced by the outbreak of War in 1914 and the slump of 1930 is evidence of its strength.

As long as Capitalism functions through instruments as finely attuned in their responses and as tough in their resistances to shock as the London Money Market, it is folly to believe that its walls will collapse at the blowing of trumpets by the Maxtons or Communists of the world. B. S.

The Ethics of the Morality Muffs

The "Ethical Union" bears the mark of its own condemnation writ large in its forehead. Its name gives it away. The "ethics" which are to transform society are the "ethics" born of capitalism. "The ruling ideas of each age have ever been the ideas of its ruling class"—grasp this fact, first clearly enunciated and proved by Marx and Engels, and the nauseating twaddle dished out by J. A. Hobson in his pamphlet "The Moral Challenge to the Economic System" will stand out for what it is worth.

The "Chief Object" of the Union is: "... To advocate a religion of human fellowship and service ... and by purely human and natural means to help men to love, know, and to do the right in all relations of life."

The "purely human and natural means" touch is the feeble expression of a shame-faced agnosticism claiming to be "religious."

The "doing right" in "all relations of life" has an ancient and fish-like smell. The business end of the Christian knife has always carved deep in the body of the exploited class—chattel-slave, serf, wage-slave—the injunction to "do right" in the station of life to which the capitalist Mumbo-Jumbo has called him.

See content the humble gleaner
Take the scattered ears that fall,
God his children ever viewing,
Kindly, bounteous cares for all.

But in a small collection of verse not favoured in choirs and places where they sing ("Nettles," D. H. Lawrence):

Almighty Mammon, make me rich!
Make me rich quickly, with never a hitch
In my fine prosperity! Kick those in the ditch
Who hinder me, Mammon, great son of a bitch

Note well: the Ethical Union was founded in 1896. 1914-18 taught it nothing. Its Chief Object is, "The supreme aim of religion is the love of goodness." Let us call to witness Robert Graves ("Good-bye to all that," p. 295) for one sidelight on Christians at war.

The bayonet-fighting instructors' faces were permanently set in a ghastly grin, "Hurt him now! In at the belly! Tear his guts out!" they would scream as the men charged the dummies. "Now that upper swing at his privates with the butt. No more little Fritzes. Naah! Anyone would think that you loved the bloody swine, patting and stroking 'em like that. Bite him I say! stick your teeth in him and worry him! Eat his heart out."

... Pass the Woodbine, Willy, to the gentle Nazarene.

J. A. Hobson talks of the "collapse of capitalism" (p. 4), and bases the alleged "collapse" upon the fact that "all the goods and services which this economic system could produce could not get consumed." Considering that the working class has *never* had "enough purchasing power to buy," the "collapse" is many hundred years overdue (read our penny pamphlet, "Why Capitalism will not Collapse").

The Macaulay-esque twaddle is faithfully reproduced: "No reader of English history can fail to recognise that though much injustice and oppression of the weak exist to-day the callous indifference with which these evils were once regarded by the well-to-do has largely disappeared."

Marx and Engels (Communist Manifesto, 1848) supply the answer: "A part of the bourgeoisie is desirous of redressing social grievances ... to this section belong economists, philanthropists, humanitarians ... hole and corner reformers of every imaginable kind." The sentimental yearnings of Lady Bountiful towards Poor Jo are the holy water with which she consecrates the essential obscurity of her parasitism on the working class.

J. A. Hobson actually sees "many signs of what may be almost called a revolutionary spirit among abler business men" (p. 17)—a spirit which will, he thinks, induce the lion to lie down with the lamb (Erewhon Butler's thesis that "eating" is "loving" has pertinence here).

Fellow workers: the S.P.G.B. puts a straight issue to you. If your chains gall, if you dread the future for your children (*your responsibility*) seek a knowledge of the only path to emancipation. Discard your "leaders." Have faith in yourselves. Get knowledge, get understanding. Buy the SOCIALIST STANDARD, read its pamphlets (they will be historical documents of the first value), attend our meetings, bombard our speakers with questions. It is *your* business.

A. REGINALD.

ANSWERS TO CORRESPONDENTS

JULIUS KAPLAN (Massachusetts).—We regret that pressure on space prevents publication at present of an article dealing with your questions on the vote. See forthcoming re-issue of pamphlet "Socialism." An article will appear shortly.—ED. COMM.

"PUZZLED SOCIALIST."—If you will give your name and address, not necessarily for publication, we will reply to your questions.—ED. COMM.

The Socialist Forum

Socialism and Charity

A correspondent writes as follows:—
The opening paragraph in the article on Charity, in the May SOCIALIST STANDARD, conveys sentiments with which I heartily concur, and emphasises a state of affairs that unfortunately does universally prevail. The argument advanced throughout the succeeding paragraphs sketches the tragedy of the working-class in lurid colours, but I think it is a reasonable statement to make that the condition which obtains is largely contributed to by the workers themselves. I am convinced that, although hardships under any social system are inevitable, a great many, owing primarily to careless and irresponsible spending, are avoidable. There are thousands of disciplined-minded workers with limited wages throughout the country who manage quite well to maintain a self-respecting and healthy existence by their economy, avoiding habits of excess and intemperance, which really are the dominant causes for most of the misery and destitution which exists. It is a shameful cry on the part of the advocates of Socialism to taunt charity workers, and to associate with these ideal efforts such terms as "Lies, Cant and Humbug." Charitable efforts are actuated almost entirely by human kindness. The voluntary system of maintaining hospitals in this country is a shining example to the rest of the world of the sense of responsibility which actuates the minds of those in the community who are able and willing to help their neighbours. Hospitals succour thousands of grateful patients throughout the year, and I fail to find in the vague programme styled "Socialism" with all its empty platitudes any better system to take the place of that grand voluntary scheme of charitable effort upon which the community is able to rely.

Reply.

Had our correspondent contented himself with saying that some workers are thriftless and intemperate he would have been on safe ground, but even then he should ask himself what are the causes of these characteristics. He would find, if he pursued his inquiries, that the conditions of capitalist employment and the devices adopted by capitalist Governments to patch up the evils produced by their system are direct causes of thriftlessness and intemperance. It should be obvious to any observer that excessive hours of work and excessively laborious work, the worry of unemployment, undernourishment due to insufficient wages, bad housing conditions and the adulteration of food, are factors which drive the workers to seek relief in stimulants, including alcohol, and are factors over which the individual worker has little or no control. Even then it is his poverty which often compels him to buy the cheaper and more harmful stimulants.

To charge any number of the workers with careless and irresponsible spending is ludicrous. How can workers go in for careless and irresponsible spending when the average wage of industrial workers is in the neighbourhood of £2 10s. 0d. a week?

To say that hardship is inevitable under any social system may be true (although, obviously, the hardships due to scarcity of the necessities of life could now be abolished), but what is not inevitable is that such hardships should fall on only part of the population. There is nothing inevitable about

the kind of hardship we see every day under capitalism, of workers dismissed in order to cheapen production by means of labour-saving devices, which serve to enhance the profits of shareholders.

With regard to charity, our correspondent is living in a world which is largely one of make-believe. Behind charitable donations there is some spontaneous sympathy for the victims of capitalism; often, however, from people who will not raise a finger to prevent the need for such charity. They would be doing something of greater practical utility if they helped to abolish the cause of the hardship—the capitalist system.

On the other hand, a vast amount of so-called charity is simply a highly organised capitalist business. Under cover of permits granted by the Government and the police, but only to certain influential and favoured organisations, men and women whose living depends on it, conduct gigantic campaigns of mass advertising and mass intimidation in the form of "flag days," to extract money from the public. The collecting organisations themselves, and the distributing organisations (charities, hospitals, etc.), are often conducted on lines which are as far removed from human kindness and sympathy as anything could be.

It is a common practice nowadays for the victim of a street accident, who lands in a "voluntary" hospital, to be questioned almost immediately by a businesslike official as to whether he or she holds an insurance as a registered reader of a newspaper. The whole or part of the proceeds are, of course, appropriated by the hospital. Next, the hospital authorities press the victim to bring an action if there is the slightest chance of getting damages—in which also the "voluntary" hospital dips its rapacious hand.

At the Conference of the National Association of Trade Union Approved Societies in Edinburgh, on June 15th, 1933, a resolution was passed protesting against the growing practice on the part of hospitals of making non-paying patients wait for beds, and giving preference to paying patients. The General Secretary, Mr. Ernest Corbey, said (*Daily Herald*, June 16th) that there is a general move all over the country to reserve more beds for paying patients. So little does Mr. Corbey regard the "voluntary" hospitals as charitable institutions that he expressly concentrated his complaint mainly on the rate-supported hospitals. He said: "We may not be able to grouse very much about voluntary hospitals, on which our claim is less legitimate"

Our correspondent concludes with some extravagant and misplaced praise for that grand voluntary scheme of charitable effort upon which the community is able to rely. It is misplaced because the community, as capitalist Governments have everywhere been forced to recognise, has not been able to rely on charity.

One country after another has had to institute unemployment insurance and work-houses and poor law relief, because the thin trickle of charity was not enough. One country after another has had to institute state and municipal hospitals, because charity would not provide sufficient voluntary ones. Taking the industrial capitalist countries as a whole, dependence on voluntary hospitals is becoming the exception rather than the rule.

Charity is sometimes the spontaneous expression of fellow feeling by people who do not understand why the need exists. It is more often a salve to the conscience of the exploiter; a cheap insurance against the discontent of the dispossessed; and the insult which the exploiting class adds to the injury wrought by it on the workers. ED. COMM.

Socialists and Membership of the Labour Party

A correspondent asks the following question:—

Towards the end of your declaration you state " . . . the party seeking emancipation should be hostile to every other party." This, of course, includes the Labour Party.

I fully appreciate that the S.P.G.B. cannot afford to dissipate its energies in lending support to the reformist policy of the Labour Party. It seems to me, however, that individual members could do good work (until they were expelled) within the D.L.P. in opposing and criticising its present policy.

I believe it to be a fact that a large number of Labour Party supporters are under the impression that the principles which they support are truly revolutionary.

At the Leicester Conference it was reiterated, time after time, that the object of the Labour Party (unlike the Conservatives and Liberals) is the establishment of Socialism "by substituting community-owned and publicly-controlled industries and services for disorganised competition and domination of vested interests."

Anyone who is not familiar with the whole of the Labour Party's activities may be forgiven for reading "community-owned and publicly-controlled" to have the same meaning as the "common ownership and democratic control" in the statement of objects of the S.P.G.B.

The concrete proposals which the Labour Party put forward each year, however, prove that this is not the case.

It is in the belief that the fluctuating principles and policy of the Labour Party are not a true reflex of the views of the whole party membership, that I suggest that a strong leaven of Marxist Socialism in the local D.L.P.s might force a wider recognition of the fallacies underlying the official brand of Labour Party "Socialism."

If membership of the S.P.G.B. definitely precludes membership of the local Divisional Labour Party, I should be obliged if you will meet the points I have raised.

Reply.

Membership of the S.P.G.B. does carry with it the definite and absolute prohibition of membership of any other political party in this country. The primary reason for that condition of membership is explained in our Declaration of Principles. Having made up our minds that the paramount need of to-day (not of some distant time in the future) is Socialism, we come together in a Party which exists only for that purpose. In addition we have learned by observation and by the past experience of the founders of the S.P.G.B. when trying to work inside the Social Democratic Federation (prior to the formation of the S.P.G.B.), that

any advantage there may be in working inside or in association with a reformist party is enormously outweighed by its disadvantages. If members of the S.P.G.B. were allowed also to be members of the Labour Party they would have to choose between admitting their membership of the S.P.G.B. or concealing it. If they concealed it they could not carry on open propaganda for the S.P.G.B. Their attempts to preach Socialist principles robbed of the essential principle that there must be an independent non-reformist Socialist political party, would in practice be interpreted, not as a condemnation, but as friendly criticism of the Labour Party. It would help the Labour Party, not the S.P.G.B.

Open support of the S.P.G.B. inside the Labour Party, would, of course, be in flat contradiction of the Labour Party's programme and constitution, and would lead automatically and speedily to expulsion. Obviously the Labour Party would not permit members to oppose its own candidates at election times and to denounce the Labour Party's aims and activities.

Our correspondent perceives that expulsion would result, but, nevertheless, thinks that good work might be done. We think he overlooks the weakness of the position in which the individual would find himself. At present, members of the S.P.G.B. appear before members of the Labour Party as frank and open opponents, who hold fundamentally different views, and say so. Their position is open and above-board. They are known for what they are. Contrast this with the position of the Socialist who joins the Labour Party. To become a member he must declare that he accepts the Labour Party constitution and that he is not a member of an opposing party. He declares this, knowing it to be false. He then devotes himself, not to the promotion of the objects of the Labour Party, but to a different and hostile purpose. As soon as this becomes apparent to his fellow members of the Labour Party he is dubbed a "disruptionist" and his chances of securing a dispassionate hearing are at once destroyed. He is rightly regarded as having received membership under false pretences and any views he may express, either then or subsequently (after his expulsion) will be discounted accordingly.

The only method for the Socialist Party to adopt is the one which avoids confusion and which stresses the need for the working class to recognise the unbridgeable gulf between reformism and Socialism. We do not gain by implying that a man can consistently hold membership in the Labour Party and the S.P.G.B. at the same time. We want it to be known from one end of the country to the other that the Labour Party and the S.P.G.B. are opponents and that there can never be a truce to the conflict between them.

* * * * ED. COMM.

thing even faintly resembling it. S.P.G.B. candidates at every election stand and will always stand for Socialism, and nothing else. Unless our correspondent thinks that the candidates of the Labour Party, I.L.P. and C.P. fight elections on the issue of Socialism and nothing else, he knows that there is this fundamental difference which divides those parties from the S.P.G.B.

Our correspondent is contemptuous of the notion that Socialist delegates in Parliament would be instructed by the S.P.G.B. to use their votes against war, or for measures reducing hours of work or raising unemployment pay. This same correspondent, two-and-a-half years ago (see *SOCIALIST STANDARD*, November, 1930), wrote telling us that we ought to organise public meetings of protest against the L.C.C. byelaw which forbids us selling literature and taking collections in the parks, get the meetings to show by means of a vote that they disapproved, and send the result of the votes to the L.C.C. Thus he would have us canvass support and votes on a minor reform but would not have Socialist delegates in Parliament vote on it.

As our correspondent raises the question of reading and writing, etc., as an intended parallel with the necessity of gaining control of the local machinery of Government, may we point out an obvious difference. The Capitalists do supply the reading and writing, compulsorily, but they do not put Socialists in control of the machinery of Government. For our correspondent's further information, if the capitalists were to introduce a measure into Parliament, having for its object the abolition of education in reading and writing, etc., Socialist delegates would doubtless be instructed to vote against it, as also against measures for the limitation of the franchise, or the prohibition of public meetings and the sale of literature.

ED. COMM.

"Socialism."

Our reply will be brief and will be confined almost entirely to corrections of misstatements made by our correspondent.

We did not say that the Editorial Committee would give instructions to Party M.P.s in Parliament or delegates on Local Councils. What we said was: "The Socialist will take his instructions from the S.P.G.B.," i.e., from the Party.

Secondly, our correspondent is simply imagining something which nowhere appears in the reply to his last letter, when he writes: "To use your own language, the thing boils down to this: By your own admission, there is nothing that divides the S.P.G.B. from the Labour Party, I.L.P. or C.P."

Neither in that language nor in any other language did we make such an admission or any-

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand. Secretary, T. J. Philips, P.O. Box 522, Auckland, where the *SOCIALIST STANDARD* is obtainable.

* * *

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the *SOCIALIST STANDARD* is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

Mr. Lansbury's Solitude for the Capitalists

Mr. Lansbury is often regarded by many misguided people in the so-called Labour movement as a "sincere" worker in the cause of the workers. Sincerity without knowledge or intelligence is useless to any cause, but Mr. Lansbury clearly indicated his concern for the capitalist class, euphemistically referred to as "the taxpayer," on the occasion of the discussion in the House of Commons on the subject of the £400,000 loan to Newfoundland to enable that state to pay interest on its external debt. "He was very disturbed at the lack of evidence of the future ability of Newfoundland to pay the money. The Government were accepting a responsibility for which, sooner or later, the taxpayers would have to foot the bill." (*News-Chronicle*, 29/6/33.) Is it of any interest to the members of the working class whether their masters choose to finance the capitalist class of Newfoundland or not? The burden of the taxes falls on the capitalist class, and it is their concern, and theirs alone, whether they should lend money to foreign states. Mr. Lansbury, deliberately or otherwise, endeavours to get the workers interested in their masters' troubles, and so lead them away from getting a correct understanding of their position in society.

R. M.

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the *SOCIALIST STANDARD* is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the *SOCIALIST STANDARD* is obtainable.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	Clapham Common, 6 p.m. Finsbury Park, 5.30 p.m. Prince of Wales, Harrow Road, W.9. 8 p.m. Victoria Park, 11.30 a.m. Cock Hotel, East Ham, 7.30 p.m. West Green Corner, Tottenham, 8 p.m. Whipps Cross, Leyton, 8 p.m. Brockwell Park, 8 p.m. & 6 p.m. Liverpool Street, Walworth, 11.30 a.m. Ridley Road, Dalston, E.8, 8 p.m. Highbury Corner, N.8, 8 p.m.
Monday	West Green Corner, Tottenham, 8 p.m. The Fountain, Forest Gate, 8 p.m.
Wednesday	Ridley Road, Dalston, 8 p.m.
Thursday	Ridley Road, Dalston, 8 p.m. "Salmon and Bell," Bethnal Green, 8 p.m.
Saturday	Rushcroft Road, Brixton, 7.30 p.m. Jolly Butcher's Hill, Wood Green, 8 p.m. Pretoria Avenue, High Street, Walthamstow, 8 p.m.
Sundays	Sheffield. Barker's Pool, 7.30 p.m.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by E. H. TAYLOR & SON, LTD., 55/57, Banner Street, London, E.C.1. (r.v.)

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BIRKENHEAD.—Communications to H. Dawson, 26, Vulcan Street, Birkenhead, Cheshire

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Grays Inn, Road).

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (beginning 7th August) at 8 p.m., Pettits' Farm, Heathway. Sec. W. Waters 396, Heathway Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 8 p.m. at 141, Bow Road, E.3.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Tuesday in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., G. H. Southgate, 64, Pickering Rd., Neepsend Branch meets alternate Mondays, 7.30 p.m. at Room 10, Friend's School, Hartshead.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea. Branch meets 1st and 3rd Wednesday in the month, at 8.30 p.m. at 6, Hermitage Road, Westcliff.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest St., Mile End. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m. 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill. Branch meets 2nd and 4th Fridays in month at 8 p.m. at Cafe-Restaurant over 170, High Road, Wembley. Meeting on Friday, August 11th.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.

THE SOCIALIST STANDARD

The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

The great duty of the proletariat is to conquer political power . . .

KARL MARX

No. 349. Vol. 30]

London, September, 1933

[Monthly Twopence]

Let Brotherly Love and Tithes Continue

Up and down the English countryside a tithe-war is in progress. Farmers, and other holders of land subject to tithe, say they cannot and will not pay. They have organised a national association to defend their interests. Against them stands the Church, with its back to the wall, demanding its money. The Church invokes the law-courts and the police, and at its behest bailiffs seize the land, stock and crops, of the debtors. The answer of the farmers to forced sales of goods is an aggressive boycott of the auction. Massed picketing and veiled threats of violence are usually sufficient to dissuade intending buyers from making bids.

The history of tithes is long and complicated. They go back for many hundreds of years, and it is disputed whether in England they began as the voluntary gifts of pious churchmen or as a compulsory levy. In any event there is no dispute as to their form. The landholder subject to tithe had to donate each year one-tenth of the produce of his land, one-tenth of his calves, lambs, wool, milk, eggs,

grain, and so on. At first this stream of wealth was divided into four parts; one part each for the bishop and the parish priest, one part for the upkeep of the church building, and one part for the poor. Subsequently the bishops were otherwise provided for. The tithes were then divided into three parts; one-third for the parson and two-thirds for the monks, to be used by them for their own upkeep, for the entertainment of strangers, and for the relief of the poor. There is no doubt that by this time at least the relief of the poor was not a voluntary act on the part of the monastic houses but was a duty imposed on them by the Crown. In receiving tithe and using part of it to relieve the poor, the monks were acting as agents for the King, as is shown by a statute passed in the early years of the fourteenth century, during the reign of Edward I.

When the monasteries were suppressed at the time of the Reformation about one-third of their tithes were seized by the Crown and handed over to laymen.

The whole of the remaining two-thirds came to be payable to the clergy.

Until 1836 tithes were, for the most part, paid not in money but "in kind." In that year the Tithe Commutation Act substituted a money rent-charge, varying with the price of corn, for the payment in kind. In 1891, owing to the difficulty experienced in the collection of tithe, the obligation was transferred from the tenant to the land-owner.

Both in 1836 and under various later Acts the clergy were given the benefit of relief from part of their liability for rates payable on the tithes received by them.

Under the Tithe Act, 1925, the tithe payment, instead of varying with the price of corn, was for the first time stabilised on the basis of £105 for each £100 of tithe-rent charge; with an additional payment of 4½ per cent. a year to provide a fund for the extinction of tithes over a period of 85 years.

The annual cost is now £3,300,000, of which about two-thirds is payable to the clergy and the remaining third to other receivers of tithe whose rights were acquired from the monasteries at the Reformation. It is this £3,300,000 which is the grievance behind the present dispute.

The Church—A Declining Industry

The Tithe-payers' Association makes the claim that the burden of tithes is ruining the farmers. While it is true that some farmers cannot pay their tithe, it is obvious that we must look further than this for an explanation of the dispute between the tithe-payers and the Church, for the total amount of tithe represents only a very small percentage of the annual income of the farmers. On the other hand, a sum of over £2 million a year is of the utmost importance to the Church. It represents the livelihood of thousands of the clergy.

The fact is, that during recent years changes have been taking place affecting both the farmers and the Church. Many of the former have been badly hit by the post-war slump in the prices of agricultural products. They receive a declining income from the sale of their products but have to pay a fixed charge to the clergy and other recipients of tithe. Their position is doubly difficult in the many cases of farms having been bought on borrowed money at the high prices of the War years. On the other hand, the farmer's inclination to withhold tithes has been strengthened by the loss of prestige and popularity on the part of the Church and its ministers. The Church is a great commercial concern which, so to speak, has its capital sunk in a declining industry. As Dean Inge puts it, the Church used to be a monopoly undertaking and is now trying to exist under conditions which have deprived it of its monopoly.

It sells an article which has not kept up with the changing demand of the twentieth century. "Spiritual consolations" and the kind of social activities provided by the Church are as definitely out-of-date as horse-buses, lantern lectures and tallow candles. The hold of the parson is relaxing. The torments of hell and the delights of heaven alike pass over the heads of a generation brought up on war and war-novels, on the cinemas and wireless. Cinemas and wireless have captured the field, hence the interesting results of most of the votes on Sunday opening. In one town after another we see the Councils—composed of elderly persons, often active Church workers—voting against Sunday cinemas, only to have their

decision heavily reversed when it goes to a poll. The clergy try to hold back the tide, but what can they do against new needs and the cinema combines? They are like the little shopkeepers trying to fight Woolworths, Boots, Selfridges, and the other giant concerns which are fast devouring them.

In a variety of ways the influence and the income of the clergy have been diminished. Now comes the final blow of the campaign against tithes. In reply, the Church militant shows what it is made of, and fights for cash as it never fought for anything else. As Marx so cruelly said, "the Anglican Church will more readily pardon attacks upon 38 of its 39 articles than upon one thirty-ninth of its income."

It is Written in the Bond

The tithe-war is rich in incident. There is the Rector who assented to a farmer sacking one of his unfortunate labourers in order to be able to afford to pay tithe. The Rector said that he could not afford to let the farmer off what he owed, "and that it was a just debt." The Church authorities, as a whole, have taken up the same legalistic attitude, standing strictly on the letter of the law. Shall not Shylock have his pound of flesh? Is it not written in the bond?

Where they do allow some remission it is only on the ordinary commercial principle of taking 75 per cent., because there is no possibility of getting the whole. Yet prominent Churchmen, including Lord Parmoor, state that the burden of tithes is unduly heavy in view of the unforeseen fall in prices.

One case has, however, come to light of a tithe claim being abandoned entirely by the parson to whom it was owed. An old shoe-maker was a tithe-payer to the extent of 3s. 6d. a year. It was the custom to hold an annual "Tithe Feast," presided over by the Vicar and held at the village "pub," which all tithe-payers were entitled to attend. The old shoe-maker was relieved of his obligation to pay tithe because, as he explained, "they lost money over him" at the annual spread.

Attempts to seize farmers' property have been resisted, with the consequence of numerous cases of assault, some of which reach the courts. In one case of restraint it was disclosed that an original debt of £20 for tithe was increased to £700 through legal costs charged against the debtor in a series of actions to enforce payment.

The attitude of the *Daily Herald*, official organ of the Labour Party, has been amusing. Its desire to sympathise with the farmers, whose votes it wants, is equalled by its anxiety not to antagonise the supporters of the Church. So it presents the delicate problem of how to give the farmers more without giving the Church less; and as that problem is truly baffling, it demands that

the Government shall instantly do its duty—and appoint a Commission! Happy memories of the late Labour Government, with its dozens and dozens of Commissions and Committees of Inquiry, probing into this question and the other.

Why do the Christians so Furiously Rage Together?

It is an entertainment to see how the followers of Jesus fight for filthy lucre as bitterly as any poor benighted heathen. Where is that other-worldliness, that spirit of self-denial that the clergy never fail to recommend to workers who come out on strike?

Christians, were you not commanded to love one another? And do you now send your message of love by the bailiff's men? O, ye of little faith! Do you not know that strife can be avoided by the exercise of Christian charity and forbearance? Why, yes, of course you know, for did you not, with the Archbishop of Canterbury at your head, found the Industrial Christian Fellowship for no other purpose than to show the cantankerous workers how to avoid industrial strife, and how to live at peace with the employers?

Lastly, there is the case of Mr. George Middleton. As First Church Estates Commissioner and Chairman of the Tithe Committee of Queen Anne's Bounty, it falls to Mr. Middleton to defend the Church. This he does in letters to the Press urging the farmers to respect the sanctity of contracts and the rights of private property. What makes his case interesting is that he was a Labour M.P. and an official of a postal workers' union until he had the good luck to slip into his present position at £1,200 to £1,400 a year, plus cost of living bonus; a job which literally lasts for life. There is no modern nonsense about needing young blood or being too old at 70 or 80 for the First Church Estates Commissioner's job.

Mr. Middleton is a supporter of the Industrial Christian Fellowship referred to above, and an advocate of peace between employers and employed, but as Chairman of the Tithe Committee of Queen Anne's Bounty he wages fierce war on tithe defaulters.

Idle talk among ex-soldiers often strays over the question which of the Monarchs, Ministers and Generalissimos won the real prizes of the War in which their loyal followers perished. By common consent it was the defeated ex-Kaiser, with his fortune of millions serenely ending his days in retreat at Doorn. If a similar question were to be put about the fruits of the great Labour Party victory which put them into office in 1929, it can hardly be doubted that Mr. Middleton, wafted into this placid backwater at the Ecclesiastical Commission, was one of fortune's special favourites.

However, let it not be supposed that we are

filled with bitterness towards the clergy or towards the Mr. Middletons. They are only trying to make the most of the opportunities capitalism offers them in the particular circumstances in which they happen to be placed. They are responding to the pressure of material conditions. It does not matter in the least, either to us as Socialists or to the condition of the workers, whether this individual or that secures what plums of office there happen to be. The Church, like any other concern run on business lines, has its highly paid bishoprics and its minority of pleasant livings for the influential few. It also has its rank and file, who live under conditions very much akin to those of the rest of the black-coated workers; with a large minority whose pay is so small that they have great difficulty in making ends meet and "keeping up appearances." Capitalism being what it is, what can the parson do but try to hold on to his livelihood and demand payment of tithe? And what can the farmer do but try to help himself by whittling it down?

Our quarrel is not with the men, but with the system. Our message is directed to the working class, who alone can alter things. To them we say that it is useless, and worse than useless, to denounce the man who takes the opportunity which capitalism offers while at the same time at the elections upholding the system itself. Capitalism compels us all to struggle for survival and teaches us to kick each other down in the fight for greater security and a better livelihood. The only way to end the wolfish struggle is to end capitalism.

If we dwell on the weak and illogical position of the Church, it is in order to show that the solution does not lie there, but only in Socialism.

H.

BLOOMSBURY BRANCH

Lectures are given every Friday evening, at 8.30 p.m., at the

AMALGAMATED ENGINEERING UNION HALL,
39, Doughty Street (corner of Guildford St.), W.C.1

Sept. 1st.	"The Material Basis of Music and Drama."	COMRADE BARITZ.
Sept. 8th.	"The Socialist Movement and Recent Development of Capitalism."	COMRADE WILMOT.
Sept. 15th.	"Capitalism and Food."	COMRADE CAMERON.
Sept. 22nd.	"Morality."	COMRADE STEWART.
Sept. 29th.	"The Labour Theory of Value before Karl Marx."	COMRADE "GILMAC."

Admission free. Questions and discussion.

Marxism a Virile "Ghost."

(Continued.)

"Philosophers have only interpreted the world differently," says Marx, "but the point is to change it."

It is well-known that in his early life Marx had taken a degree in Philosophy at one of the leading German universities. The Marx critic, whom we are now considering, attempts to find consolation for his declaration that "Marxism is dead," by an allusion to Marx's early training in Philosophy. Thus he classifies Adam Smith and Karl Marx as having been "philosophers rather than scientists," "deductive rather than inductive thinkers," "metaphysicians before they were economists." Strangely enough he finds a use for the materialist method, in that he traces all this to environmental influences. He says, Smith and Marx came from the two great homes of metaphysical thought, "Scotland and Germany." We could prove, of course, that these countries have had no more than a "fair" share of metaphysicians, but we will pass this with the lament that he ought to know better.

Volumes might easily be written to supply an adequate examination and reply to the observations set out above, but here only a brief analysis can be given in the limited space at our disposal.

In our last issue we outlined what constitutes the essence of modern materialist thought, for the present we propose to strike a somewhat retrospective note, thus to bring into bolder relief the materialism of Marx. We readily plead guilty to the assertion that Marx was a philosopher, but this fact must be booked on the credit side of the account, as a few references to what forms of thought have been embodied in philosophy will reveal. We make no apology for this, as our task is to try and arm our fellows against the attacks made upon Socialism by the hired "intelligentsia" of capitalism. And now about this philosopher business, since philosophy is in the picture.

Frederick Engels, with his usual keen insight into the core of any problem undertaken for consideration by him, has reminded us that the foundation of all philosophies is concerned with the relation between thinking and being. Tracing the roots of the question to lie, like religion, in the social status of savagery where ignorance of natural forces was predominant, then pursuing its development through the scholasticism of the Middle Ages when the question took the form—"What is at the beginning, spirit or nature?" until it resolved itself into the question—"Has God made the world or is the world from eternity?" Engels classifies the disputants to the question as forming two totally different schools of thought. Those who have placed the origin of spirit before that of nature are the idealists, whilst those who

have taken nature as the source have formed the various schools of materialism. Here we must emphasise the point that the term idealism as expressed in philosophy bears no logical connection with moral or ethical concepts or theories concerning human conduct. Technically speaking, idealism represents the view of all natural phenomena which postulates "mind" as being primary to "matter." Opponents of the materialist view seldom hesitate to import a moral significance into the controversy, but such is, of course, a complete evasion of the position. Materialism can no more be disproved by this method than the falsity of Bishop Berkeley's idealism was proved by Dr. Samuel Johnson kicking the stone to confute Berkeley's insistence upon the non-reality of "matter." Both idealism and materialism have to be considered from the point of view of their respective modes of interpreting natural phenomena, since both theories must necessarily be concerned therewith.

In the historical controversy between idealism and materialism, probably the ablest representative of the former school of thought, from the eighteenth century until to-day, was Bishop Berkeley. Anyhow, as far as this country is concerned, Berkeley set out in the early eighteenth century to combat the materialist tendencies as they were expressed in the leading thought of his age. He took his stand in postulating an idealist philosophy by an attempt to controvert the views of his philosophic predecessors, Thomas Hobbes and John Locke, the earlier materialists. Hobbes had maintained that the source of human knowledge is based upon our sense perceptions of the outer world. Whilst Locke, in a more thoroughgoing manner, after vigorously disputing the alleged existence of "innate ideas," i.e., ideas being in the human mind independent of and antecedent to experience, accepted the sensory origin of knowledge as formulated by Hobbes, but added a secondary factor to the process by which knowledge is ultimately acquired, namely, reflection. The idea that the real source of human knowledge comes from our sensations and reflections was a deadly blow to the conventional thought of the time. If positive knowledge originated in this way, what was to become of the "God"-planted "tree of knowledge." However, despite Hobbes' and Locke's contribution to the science of understanding, they themselves were still hampered in thought by their acceptance of the theistic conception of a supreme power. Moreover, they regarded as beyond question the existence of "mind" and "matter" as ultimate tangible realities in the most limited sense of the terms. And this paved the way for the later idealistic philosophy of the eighteenth and nineteenth centuries. Bishop Berkeley challenged the reality of "matter" by attacking Locke's position. Locke had maintained

that material bodies have two qualities—primary and secondary. The primary are those of weight, shape, extension in space, etc. The secondary are those of colour, temperature, taste, and so forth. The former are known by their actual existence in the external world. We think of them as being in themselves extended, resisting and mobile, but not in themselves as coloured, hot or cold, or having taste. These latter belong to our special sensations. We perceive both primary and secondary qualities in objects because there is a "substance" in which they inhere.

But, said Berkeley, I agree that material bodies exist in the outside world, and our knowledge of them is based upon sensation and reflection, but the distinction between primary and secondary qualities is wholly illusory. The primary qualities are equally as mental or sensuous as the secondary—temperature, taste, and so forth, and he attempted to prove this position by the contention that when we try to think of any material body apart from its attributes or properties, we have nothing left but an empty abstraction. Put into plain language, this means that the desk upon which I write can only be known by its colour, hardness, shape, extension in space, etc. Divested of these there is no "material substratum" left, such as Locke had intimated. "All the choir of heaven and the furniture of earth have not any substance outside the mind." Thus ran the trend of thought in Berkeley's theory. When confronted with the problem as to what became of things when they were not being perceived, his philosophy is amazingly consistent to the end. Since the reality of things lay in their being perceived, when they are not so by us, they subsist in the mind of some "Eternal Spirit." The real world is therefore one of "mind" and its contents. "Matter" was reflected by Berkeley as "an unintelligible figment devoid of any sensuous or imaginative content. After this remarkable exhibition of skill in philosophical meandering, David Hume, the Scotch sceptic, subjected Berkeley's postulate of "mind" as the sole reality, to an analysis, and provided an equally devastating attack upon its alleged reality when considered apart from perception. Hence for the time being at least philosophy was in the state that nothing could be known for certain; scepticism reigned supreme. Even after the famous philosopher-scientist, Immanuel Kant, had tackled the problem from a different standpoint, though making a valuable contribution in clarifying the problem, he got no further than declaring our knowledge of things to be strictly limited to their appearances alone, but what these "things in themselves" really are, we cannot know. To the mystical type of mind this "unknowability" must almost have amounted to something worth worshipping. Anyhow, the thinker who, to a great extent, lifted the cloud of mysticism from speculative philosophy, was the

German philosopher, Hegel. And admittedly it was his work within the realms of philosophy and history which had a profound influence upon the minds of the founders of modern Socialist thought, Karl Marx and Frederick Engels. But in stating this we must make certain important reservations. Presumably our present Marx critic has this fact in mind when he describes Marx as a philosopher rather than a scientist, and as a "metaphysician." But Hegel was far from being a metaphysician in the technical sense. He was an idealist whose system and method differed profoundly from the subjective idealism of Berkeley and the "phenomenal" idealism of Kant. He dismissed the Kantian postulate concerning the unknowability of the "thing in itself," and declared "the universe is penetrable to thought." The world of reality is made known to us by our practical correspondence with it. As the entities of the outer world answer to our mode of apprehending them and to our use of them, their existence apart from us is proven. Hegel's idealism consisted of a conception of an "absolute idea" or "mind" through which the universe was created with a view to the attainment of ultimate "good" and "freedom" at the "final" stage of the evolutionary process. Hegel comprehended the principle of evolution in nature and history, and although his idealistic system of thought considerably marred a thorough grasp of the inner workings of natural and historical development, his revival of the "dialectic" method of enquiry and understanding furnished a method by which the evolutionary process in nature and history could be scientifically understood. He "freed history," says Engels, "from metaphysics—he had made it dialectic."

"For the first time the whole world, natural, historical, intellectual, is represented as a process, i.e., as in constant motion, change, transformation, development; and the attempt is made to trace out the internal connection that makes a continuous whole of all this movement and development." The contradictory feature of Hegelianism lay in his fixing, quite arbitrarily, a finality to the evolutionary process which was opposed to his dialectical method that ruled out "finality" in actual evolutionary processes. But this may be largely explained by the limited knowledge of his time. Nevertheless, his revival of the dialectical system of thought, as first enunciated by the thinkers of Ancient Greece (Heraclitus had said, "Nothing is, everything is becoming") proved a weapon in the hands of Marx, not merely in the establishment of his philosophical and historical standpoint, but also to mark his departure from Hegel's idealism.

"My dialectic method," says Marx, "is not only different from the Hegelian, but is its direct opposite. To Hegel, the life-process of the human brain, i.e., the process of thinking, which, under the name of 'the idea' he even transforms into

an independent subject, is the demiurgo of the real world, and the real world is only the external phenomenal form of 'the idea.' With me, on the contrary, the ideal is nothing else than the material world reflected by the human mind, and transformed into forms of thought." Thus have we an outline of the fundamental distinction between Hegel and Marx in philosophy. But the application of the dialectic to human society and its history shows an even more striking contrast between these two thinkers. With Hegel the modes of being and becoming in human history are to be explained by their "rationality." "The real is rational, and the rational is real," declared Hegel. But they are only real and rational in turn so long as they are necessary. Every past phase in human history had at one time been rational and therefore real, but had become irrational and therefore unreal, consequently, had been swept aside to give place to still higher "rational" forms of human society. The ultimate development of all this "reality" and "rationality" Hegel saw in the "full development" of the Prussian State of his age. Here was to be found the final working out of "the idea"; its self-realisation having been immanent from the "inception" of the world's life history. Thus Hegel. But with Marx, however, all the self-imposed "rationality and reality" merely meant the material conditions of human society in their manifold operations being interpreted by an ideal abstraction made apart from their actual content. And an examination of those material conditions was, to Marx, an essential condition before "rationality" or "reality" could be understood. Our critic says Marx was a "deductive thinker." Was he? A deductive thinker is one who takes something as proven before examination. A man takes the Bible, for instance, as true and then attempts to trace everything to harmonise with Biblical teachings; this man is a deductive thinker. Another man sets out by first enquiring as to whether the Bible is itself actually true; this man is an inductive thinker. Our critic's assumption is that Marx set out with the conviction that capitalism was wrong before he had made an analysis, hence the entire criticism of capitalist society and the conclusions drawn therefrom are nothing more than Marx's pre-conceived thought, the wish father to the thought, so to speak. But an analysis of Marx's writings simply annihilates the suggestion.

Before ever Marx had formulated his material conception of history, and therefore before he had made an analysis of the economy of capitalist society, he had proved in actual practice what an inductive thinker he really was.

In 1842-3, as editor of the *Rheinische Zeitung*, he tells us how he was embarrassed at first when he had to discuss so-called material interests.

Further, how on certain specific questions he was unable at the time to "hazard an independent judgment." Therefore he gladly welcomed the opportunity, for reasons we need not now dwell upon, "to retire to the study room" from public life. There are few thinkers to be found ready to make such a candid confession, and fewer still with minds so inductively inclined, as the nature of this confession indicates.

Within the confines of the study room Marx's first task consisted of a study and analysis of Hegel's work on the *Philosophy of Law*. After this he formulated his materialist conception of history. From a totally different standpoint, Marx was therefore able to explain man's "knowing" by his "being," instead of, as heretofore, his "being" by his "knowing."

"It is not the consciousness of men that determines their existence," says Marx, "but, on the contrary, their social existence determines their consciousness."

This contains the kernel of Marxian thought. Human consciousness can only be related, in the final analysis, to its practical correspondence with the outer world in all its phases.

Philosophers may interpret the world differently, but "by acting upon nature outside himself and changing it, man simultaneously changes his own nature." We await the first real attack on that position.

ROBERTUS.

(To be concluded.)

Unemployed Workers on the Continent

The apologists of capitalism in this country often aver that the workers here are better off than in other countries. A correspondent of *The Times* has recently been making a tour of France and Italy investigating the conditions of the workless there. In Italy most of the 1,200,000 unemployed belong to the Fascist party on account of the rations given to their unemployed members, and the correspondent remarks: "You will realise that the unemployed single men probably get more in actual relief than our own unemployed." In France, the official figures show that more than half the unemployment is in Paris and the surrounding Department of the Seine. "In Paris, the unemployed single man gets from 10 to 12 francs minimum a day as dole, and if he is living in lodgings, the keeper of his house gets another four francs a day for his room. Multiplied by seven days each week, this makes, even with the exchange, an allowance considerably above our own." But apart from such slight differences, capitalism is everywhere the same. It weeps at the large number of idle workers whom it cannot employ at a profit, while it grudgingly doles out the bare necessities of existence.

R. M.

Death of Two Comrades

COMRADE CHOLET (MELBOURNE, AUSTRALIA).

Our Australian comrades report the death in June of a valuable worker for Socialism, Comrade Cholet. In accordance with the wish expressed by him, the only ceremony at the funeral was an address delivered on behalf of the Socialist Party of Australia by the Secretary, Comrade Clarke. Comrade Cholet, through years of suffering from the sickness which finally carried him off, had shown the greatest courage and steadfastness in his work for Socialism. Comrades who worked with him knew his worth and feel his loss deeply.

• • • • •

COMRADE WOAN (FORMERLY OF NEW ZEALAND).

His many friends here and in New Zealand will regret to learn of the death at Manchester, on July 19th, of Comrade Benjamin Woan, at the early age of 47. Death was due to cerebral tumour.

Cremation took place on July 24th, at the Manchester Crematorium, where Comrade Lea, of Eccles Branch, and Comrade McCarthy, of Manchester Branch, spoke about the life of our Comrade and of his work for Socialism. Selections from his favourite opera, "Il Trovatore," were played on the organ.

He was born at Knuzden Brook, Blackburn, Lancashire, and in due course earned his living as a miner. In 1910 he left this country for New Zealand, where he soon made many friends through his activities in the Socialist movement. He took an active part in efforts to encourage the study of Marxism, including the Marxian Students' Conference, held in Christchurch, in December, 1918, at which it was decided to found the New Zealand Marxian Association, the Declaration of Principles of which was modelled on that of the S.P.G.B.

After a short stay in England, in 1920 and 1921, he returned to New Zealand in October of the latter year and remained there for many years. Although not a platform speaker, our Comrade carried on ceaseless propaganda for Socialism and was well known, not only to New Zealand Socialists, but also to many London comrades, although they knew of him only through the medium of correspondence.

Mrs. Woan has given her late husband's books to the Party.

We wish to convey our sympathy to Mrs. Woan in her loss.

"Middle Class" Wage-Slaves

To those who have the requisite background of Socialist knowledge, everything which appears in print has its own particular significance. The following advertisement appeared recently in the lists of vacancies at the labour exchange:—

"Translator and teacher. Expert knowledge of German. Resident alien preferred. Highly technical vocabulary. £2 10s. 0d. per week."

Being Socialists, we do not froth at the mouth with indignation at the low wage offered. We merely take the opportunity to point out that this is but another illustration of the Marxian theory that wages are based upon the cost of living, and further, that the "gentleman" who accepts this position and who might perhaps consider himself a member of the mythical "middle class," is, in reality, just as much a member of the working class as the labourer who tucks up his shirt sleeves and gets busy with his shovel. Both are workers, both are forced by poverty to sell their labour power in order to live, and the wages of both are based upon the cost of living of the section of the working class to which they belong.

Both may be faced with the necessity of offering to work for a wage which will hardly cover bare necessities at times when unemployment and the struggle for jobs is specially acute.

Both, after years of toil, are still as poor as when they started, whilst the capitalists retain their wealth or grow more wealthy. Yet this wealth has been produced by the workers. It is evident, therefore, that the existing system of wealth production must be a system whereby one class grows rich by the "legalised robbery" of the class which produces the wealth. It is the ownership of the means of production by the exploiting class which enables this process of exploitation to take place. In the apparent equality of exchange, whereby the worker sells his labour power for a given period in exchange for a wage sufficient to enable him to exist, is hidden the fact that this wage bears no relation to the quantity of wealth which he produces.

The only means of doing away with this method of exploitation is to abolish the capitalist system of society. That is the mission of a working class politically organised with that object in view.

RAMO.

READ . . .

"WHY CAPITALISM WILL NOT COLLAPSE . . .

Our View of the Crisis.

16 Pages 1d.

(Post free 1½d.)

Send for a copy

THE
SOCIALIST STANDARD



SEPT.,

1933

OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

Tales Told by the
Lady's Maid.

Those whose knowledge of the domestic servants of the rich is coloured by their reading of the luscious disclosures published from time to time in Sunday newspapers, will suppose that the normal first step taken by a valet or lady's maid on being dismissed is to rush round to the nearest journalist to arrange for a series of articles headed, "Through the Keyhole," "Our Dissolute Peerage," or "Disgusting Orgies in Mayfair." It is much more likely that these thrilling stories are written by the newspaper staffs or by professional writers, and that domestic servants are a much-maligned body of people. They may be far too scrupulous to make use of their knowledge of the weaknesses and foolishness of their employers. If, indeed, it is scruples only which hold them back they can easily get rid of these by modelling themselves on some of the politicians, for example, the former colleagues of Mr. Ramsay MacDonald.

It was inevitable when the split occurred in the Labour Cabinet in 1931 that the two groups should tell each other a few home-truths, with some venom and the maximum of publicity. Lord Snowden, Mr. Thomas and Mr. MacDonald hastened to disclose that most of the Henderson group had been willing to agree to almost all of the economy "cuts." As this was a really devastating blow, to which no adequate answer has been found, or is ever likely to be found, many of the big and little Labour men, peeved by loss of office and (in many cases) loss of parliamentary seats, fell back on the device of "telling the real truth" about their former leaders.

It would not be true to say that all of them did this, but the offenders have been fairly well distributed among the various sections of the Labour Party. Some of the worst offenders are Mr. Hamilton Fyfe in *Reynolds' Illustrated News*, and Mr. MacNeil Weir in *Forward*, Mr. Weir was Parliamentary Private Secretary to MacDonald, and, therefore, had access to many of the inner secrets. Professor Laski made his contribution also.

From these disgruntled people we have now learned the most surprising things. If they are to be believed they knew all along that MacDonald was childishly ignorant and credulous, extremely vain, a word-spinner to the point of incoherence, unduly fond of the company and flattery of the Peerage, a mere tool of big business and the bankers, obstinate yet easily turned from his path by hints from his political opponents, arrogant and unapproachable, always indifferent to the hardships of the workers, always dishonest in his political enthusiasms, a worshipper of applause and a seeker for limelight, and altogether a most unattractive, uninformed and useless person. Similar things were said of Thomas and Snowden.

Now there may be some, even a lot of truth in all these statements. Not being personally acquainted with Mr. MacDonald we are not in a position to say. What we can say has to do with the ex-valets rather than the masters. If these things are true how comes it that the whole band, from Maxton to Henderson, and from Bevin to Clynes, went on year in and year out following MacDonald, re-electing him leader of the Parliamentary Labour Party, praising him extravagantly and vowing that never before was there a man so deserving of trust and confidence? How did the stupid and incompetent MacDonald so easily bamboozle all these clever fellows? They say that they always saw through him, yet he, apparently, twisted them round his little finger! What were they?—innocent victims or criminal fellow-conspirators? Did MacDonald take them in—in which case they are plainly unfitted for the hurly-burly of politics—or were they consciously helping MacDonald to take the workers in?

In short, when they told the workers all those years to have faith in the tried and trusty Socialist MacDonald, were they ignorant dupes or deliberate liars? This includes the Communist Party, which supported MacDonald for several years. It also includes Mr. Maxton, of whom Hannen Swaffer writes in the *Daily Herald* (July 31st) that when the National Government was formed, Maxton told MacDonald in a private conversation, "I always knew you were not a Socialist, Mac. I can't think worse of you now that you admit it."

Will Mr. Maxton tell us why—knowing that MacDonald was not a Socialist—he told the workers at election after election that MacDonald was a

Socialist, and was deserving of working-class support? Was it because MacDonald's name at the head of I.L.P. appeals for funds enabled them to tap his rich friends?

All this spate of disclosures intended to discredit MacDonald, Snowden and Thomas has at the same time shown up the rottenness of many of their former colleagues.

"crisis," including drastic wage reductions.

The system of unemployment insurance was not patented in Great Britain. It was adopted nearly a quarter of a century ago by the Government of the day and applied to a few industries on the basis of foreign experiments.

A few years previously Joseph Chamberlain had initiated his campaign for Protection, "to cure unemployment." "Look at Germany!" he said.

"Under Protection her industries have forged ahead until their products capture Britain's markets." The Liberals looked at Germany, held unemployment rampant there as elsewhere, and also observed a State insurance scheme, which they proceeded to copy.

It appeared in their eyes to be a more economical and efficient method of controlling the unemployed than the system of parish relief; and, with the dislocation of the labour market following the war, even Conservative Ministers helped forward its rapid extension to the majority of industries.

The system of parish relief, inherited from the days of Queen Elizabeth 350 years ago, was designed to meet a situation long before large-scale production had brought large-scale unemployment in its train. It had definite drawbacks from the point of view of those capitalists who had to pay rates upon property in industrial areas. They sought to spread the burden over the entire master class by means

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

Do Social
Reforms Kill
Socialism?

THE "DOLE" AND THE
WORKERS

"What is the effect of the dole upon the mental attitude of the workers? Does it make them more a quiescent towards capitalism?" The question hails from America. This in itself is instructive. A few years ago various prominent English labour leaders and an odd capitalist or two, like Lord Beaverbrook, were advocating the adoption of the alleged "high-wage policy" of American employers. Now the American capitalists are seriously considering the adoption of the British system of State unemployment relief known as the dole. The "high-wage policy," so far from curing unemployment, has, in America, failed to prevent its rapid and enormous growth. Goods have been produced far in excess of the ability of the workers there to buy them back with all their "high wages."

We have to note there, as in England, the sharp curtailment of production, wholesale dismissal of staffs, and all the rest of the characteristic methods of the capitalists in the endeavour to weather the

of a national scheme. From the standpoint of the unemployed the change in practice means no more than this, that they are paid relief out of the national exchequer instead of locally, and they

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

are periodically badgered by courts of referees instead of by boards of guardians. Under the national scheme they now have six months' respite before the badgering starts, but for this privilege they have, while in work, made compulsory contributions. Since the advent of the National Government in 1931, the "means test" has gone far to lessen any difference between the two methods of securing the workers' quietude.

Without some form of relief of the destitute, whether on local or national lines, it is obvious that there would be an enormous increase in crimes against property, ranging from petty thefts to wholesale riots. This, of course, would involve a correspondingly large increase in police activity and expenditure in connection therewith. In any advanced industrial country this is the consideration which induces the master class to adopt some form of public relief in the place of haphazard "charity."

There is no evidence, however, that in the absence of the dole, or some equivalent, the workers would become revolutionary. Such a mental change implies much more than mere discontent with the extremes of poverty resulting from unemployment. In spite of the enormous increase of unemployment in America in recent years and the absence of a system of doles, we do not hear of any rapid increase in the number of Socialists there. On the contrary, the very immediate urgency of the needs of the unemployed prompts the non-Socialist majority of them to give ear to those who promise them "something now" —Roosevelt, for example. They ignore Socialist propaganda as they do when in work.

Similarly, in Britain the establishment of the dole has not altered one way or the other the essential obstacles in the way of Socialist propaganda. Just as workers in employment can be gulled into accepting the fallacy that wage reductions are necessary to enable their masters to recover their "share of world trade," so the unemployed can, in large numbers, be persuaded that a reduction in their paltry benefit is necessary to "national stability and financial integrity." The election result in Britain in 1931 is eloquent of this. Vast numbers of unemployed voted for the Parties which promised to cut their unemployment pay by 10%.

On the other hand, Socialists do not barter their political support for doles or promises of other reforms. The notion that the revolution is being held up by the existence of the dole is nothing short of ridiculous. This notion found expression (in a typically confused fashion) in the general election programme of the Communist Party for 1929. On page 25 they declared that, "The capitalist class of this country have been compelled, as an insurance against revolution, to introduce many schemes for the amelioration of the

conditions of the workers." This, notwithstanding that four pages earlier they had declared that "the struggle for reforms in the present period leads to revolution." However, the existence of the dole can hardly be blamed for the muddle-headedness of those who imagine that revolution can be advanced by "struggling" for "insurances against it."

The mass of the workers, employed and unemployed, accept and support capitalism because they do not yet realise that it is based upon their own enslavement and robbery as a class.

They do not realise that wages and doles represent but a fraction of the wealth which they actually produce to-day, and which they could increase and enjoy to the fullest extent under a system based upon the common ownership of the means of living. They do not realise these things because they are slow to think; slow processes, however, have the advantage of being sure. Socialists rely upon the development of the workers' capacity to think, a development which is forced upon them by the incessant class struggle. That struggle grows more glaring and more intense with every step in industrial progress, and when the workers eventually recognise its existence as such, no dole or other reform, nor promises of reform, will cause them to deviate from the revolutionary path.

Sweeping aside the parties which depend upon this type of appeal, they will organise to establish their supremacy in society in order to refashion it in accordance with their needs. E. B.

Russia's Future

WHY NOT A DEVELOPMENT TOWARDS SOCIALISM?

A group of workers in New York have put the following interesting questions about Russia:—

A group of workers—20 all told—are interested in your viewpoint on the following questions:—

1. Can the Soviet Union ever become economically self-sufficient?

2. Can Socialism be built in Russia alone?

The argument we were presented with recently was that—starting out with its present enormous resources and labour power, and the money it may borrow abroad, the Russian State will sell Russian products abroad, turn the part of the surplus value that is left after the payment of interest, State expenses, etc., back into its industrial enterprises, developing its industries to the point of satisfying all national needs till in time there is attained the nearly total economic independence of the country from the rest of the world. This will offer the basis for Socialism in Russia.

Please answer in detail and in simple language why, for economic reasons, or any other, (1) and (2) are impossible. Have your explanation appear in the SOCIALIST STANDARD if possible.

Reply.

If the question of self-sufficiency in Russia could be considered simply as a technical question of adjusting the living habits of the population so that they ate, and wore, and used up in other ways, only articles which could be produced inside

Russia, then self-sufficiency would be quite practicable, as indeed it would also in India, China, the U.S.A. or the British Empire.

The question, however, cannot very usefully be considered in that form because in no country is the production and distribution of wealth simply a technical question. In all countries it is as well a political question, involving the wealth and position of separate classes.

Before going further into that aspect, let us put another question. Is Russia becoming more self-sufficient or less? The answer is that the development of Russia is away from self-sufficiency—not towards it.

Back in the eighties of last century, Russian imports and exports together amounted to only about £100,000,000 a year. For a country of that size it was negligible, as can be seen from a comparison with England's foreign trade, which was seven times as great, although Russia's population was several times as large as England's. Russia then, particularly as regards the great mass of the population, was all but self-supporting.

By 1914 her trade had nearly trebled, showing clearly that Russia, like the other countries, was giving up self-sufficiency. During the six years after the war, Russia's foreign trade was ruined, and again Russia was practically self-sufficient. Since 1924 her foreign trade has rapidly grown again, and by 1930 and 1931 had reached a level not very far short of the pre-war level.

The present world crisis has, of course, adversely affected Russia, as was pointed out at the World Economic Conference by M. Litvinoff, who represented the Russian Government. (See Report of his address published in the Monthly Review of the Moscow Narodny Bank, Ltd., London, June.) The crisis compelled the Russian Government to curtail its imports because, owing to the fall in the prices of the articles Russia was exporting, the Russian Government was unable to obtain sufficient foreign currency to pay for the imports it had planned.

This does not, however, mean a permanent increase in Russia's self-sufficiency. On the contrary, M. Litvinoff held out to the Conference delegates the attractive offer that the Russian Government "might agree to place orders abroad in the near future to the sum of about one billion dollars" (about £200,000,000), which, he said, "would have no small influence in the alleviation of the crisis." To do this the Russian Government would need easier trading conditions from foreign manufacturers.

Now that we have shown that Russia is moving away from self-sufficiency, let us ask why. Why does Russia or any other country import some articles and export others? Usually it is because it is cheaper to produce an article in one country, and in particular areas of the same coun-

try, than in other areas or other countries. The cheapness may be due to climate and soil, cheaper labour-power, the presence of coal, iron or other mineral deposits, lower rates and taxes, lower tariffs, etc. (There are, of course, other complicating factors, such as restrictions or subsidies resulting from the military needs of the Governments.) The net effect of these differences is that it is more profitable to the English capitalist to invest his money in, say, machine manufacture and shipbuilding, than it is to invest it in cattle raising in England. The consequence is that certain industries survive in one country and are able to undersell and ruin their competitors in other countries and we get world trade and a large measure of interdependence. Governments often try to impede this development, either in order to help their friends in certain industries by means of tariffs, or for military reasons; and in times of acute depression almost all Governments try to restrict imports as a means of protecting their gold reserves, which they fear may be drained away to pay for the imports, and thus destroy confidence in the financial stability of the Government.

If the difference in the cost of producing certain articles in different countries is sufficiently great, the import and export of these articles will surmount all obstacles.

For example, Russia at present is able to produce cheaply oil, timber and various foodstuffs, but cannot yet produce equally cheaply much-needed ores, metals and machinery. Therefore it "pays" Russia to concentrate on the production of certain articles for export and use the money to pay for imports. On balance this is more profitable than trying to be self-sufficient. The world crisis and consequent slump in prices of oil and grain and timber has hit Russia's export industries, but even a slight recovery in the world prices of these articles will restore the position of the years before the crisis, when it will again be profitable for Russia to maintain and expand her industries producing for export.

Our correspondents envisage the possibility of Russia "developing its industries to the point of satisfying all national needs." This assumes that the conditions favouring the development of Russia's foreign trade are disappearing or will disappear, but is there any reason to suppose that this will occur? The mere growth of Russian production due to an all-round increase of productivity in all branches of industry and agriculture, mining, etc., will not make foreign trade any less profitable, for it will be accompanied by a parallel increase of productivity in industry all over the world. If it pays Russia to import machinery paid for by the export of oil or timber, any increase in the productivity of the Russian timber or oil industries will lead to a growth of foreign trade, as also will any increase in the

productivity of the machine manufacturing industries outside Russia. On the other hand, Russia's foreign trade would decline in volume if her machine manufacturing industries became more productive (that is cheaper) than the foreign machine manufacturing industries, or if the Russian oil and timber industries become less productive than their foreign competitors.

From what we know of the way in which agricultural and industrial technique advances all over the world, we can say with some certainty that for many years to come no changes are likely to occur of so revolutionary a nature that they will destroy the factors militating against self-sufficiency in Russia or any other comparable area.

The second question relates to building Socialism in Russia alone. Here again we can say that if Socialism depended only on the technical possibility of maintaining the life of the population on products within a given area like Russia or U.S.A., there would be no impossibility about Socialism in Russia alone. In fact, however, Socialism pre-supposes a whole range of conditions which are wholly or mainly lacking in Russia. It pre-supposes a population which has exhausted, and knows that it has exhausted, all the main possibilities inherent in capitalism, and knows and wants Socialism.

Russia, owing to the relatively backward condition of its industry and agriculture and to the fact that the overwhelming mass of its population has not spent its lifetime under conditions of highly developed industrial capitalism, has not exhausted the possibilities of capitalism. So far, therefore, from welcoming Socialism, the mass of the Russian population wants nothing better than to be left alone to enjoy the fruits of expanding capitalism. The efforts of the Government, carried on for sixteen years, to crush, placate, or remould the peasants, are evidence of the magnitude of the force against which Socialism in Russia would have to struggle. The attempt of the Bolsheviks to force an unwanted social system on an unready population, by means of its control of the State machine and the armed forces, will fail, as Marx said it would.

Our correspondents can perhaps grasp this best by considering the impossible task of forcing Socialism on the population of the U.S.A., a country far better equipped in every way than Russia for such an experiment.

H.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

Answers to Correspondents

SOME QUESTIONS ABOUT SOCIALISM.

(Reply to E. S. Dorset.)

(1) Under Socialism there would be no persons living on incomes derived from the private ownership of property, whether in the form of rent, interest or profit. The landlord, like the owner of shares, derives his income from the wealth produced by the working class.

(2) You ask whether there would be taxation under Socialism, and if not, how would "social services" be carried on. Taxation is only necessary in a social system in which there is a privileged class and a subject class. Taxation in a modern capitalist country exists in order to enable the Government to maintain armed and civil forces, pay interest on money borrowed from investors, and meet the cost of so-called "social services," i.e., old-age pensions, health and unemployment insurance, etc. The latter would, of course, be unnecessary under Socialism, for each person would have free access to the necessities of life, and the old and infirm would, therefore, not need private or State charity. Under Socialism all services would, in the real sense, be "social services," for all able-bodied persons would co-operate in the production of wealth, to be consumed by the whole population, without distinction of class. There would be no investors.

(3) When goods are produced for the purpose of being freely available to all the members of society, there would be no place for a money system. A money system can exist only where there is private ownership of the means of production and of the products.

(4) The danger of war can only be removed by abolishing the underlying causes. The underlying cause of war in the modern world is capitalist economic rivalry. When goods are produced for use and not for sale at a profit, the incentive to seek foreign markets or areas of foreign investment will disappear, and with it the danger of war between rival groups of capitalist nations. Those who misunderstand the nature of modern wars, and regard war as if it were a method of preventing individuals from creating disorder, doubt the possibility of abolishing war by abolishing private ownership. Society would, under any system, have to take steps, if necessary, to prevent individuals or minorities from acting contrary to the basic needs of society, but action of that kind, when private ownership is abolished, would not bear any resemblance to modern war. Modern war is not a process of suppressing law-breakers, but a clash of interests between rival capitalist groups. Neither in its objects nor in its methods can it be compared

September, 1933

THE SOCIALIST STANDARD

13

with such suppression of anti-social conduct by individuals.

(5) Workers would not be "graded as regards wages," for there will be no wages. Wages are the price paid by the capitalist when he buys the labour-power of the workers. Under Socialism there will be neither a capitalist class nor a working class, but all will be simply members of society.

You ask if a man with a technical training will be paid more than a man without such training. Under capitalism the employer has to pay wages according to the requirements of each particular kind of worker. This is based ultimately on the cost of producing each kind of labour, i.e., the food, clothing, shelter, etc., of the workers and the cost of training. Under Socialism, if society needs a certain number of men and women trained for particular kinds of work it will see to it that the desired number are trained to meet the needs of society. No question of paying higher or lower wages, or any wages, can arise.

(6) You ask if the owners of industrial concerns will be compensated. Once you grasp clearly what Socialism is you will see that it is not a question of whether compensation is, or is not, desirable. Compensation is impossible.

Under capitalism the one basic feature which distinguishes capitalists from workers is that the capitalists possess the privilege of living without working, that is, of living on the wealth produced by the workers.

Socialism is impossible until that privilege is taken away, and having taken it away there remains no conceivable method by which the former capitalists could be compensated. They must either retain their privilege—which means capitalism, or they must lose it in order to make Socialism possible.

On the other hand, the loss of capitalist privilege will usher in a system of society in which all members of society—including the ex-capitalists—will have a degree of comfort and security, and possibilities of leading a full life. The ex-capitalists will possess the same opportunities as everybody else, more than that they cannot have.

ED. COMM.

PARLIAMENT AND LOCAL GOVERNMENT.

Our correspondent, "Precision," writes again, but adds nothing to his former criticisms of the attitude of the S.P.G.B. We have nothing to add to our previous replies.

ED. COMM.

Trade Union Branches

The Socialist Party of Great Britain is prepared to consider applications from Trade Unions and other organisations for a representative to state the case for Socialism. Travelling expenses only are required.

How Should Socialists Vote?

Several questions have been put to us by two readers at Brighouse, Yorks. The first concerns the use of the vote.

Must a Socialist refrain from voting at the Parliamentary and Municipal Elections until such times as the S.P.G.B. membership warrants its own candidates' standing?

If so (and we gather from your paper that such is the case), do you not thus help establish a permanent Imperialistic Tory rule? In advising your readers and members not to vote, surely this has the effect of strengthening the anti-Labour parties.

Reply.

If the S.P.G.B. case is sound then the Socialist must vote for Socialist candidates only, and if there are no Socialist candidates then not vote for any of the non-Socialists, whether Liberal, Tory, Labour, Fascist or Communist. The only object of the Socialist Party of Great Britain is to achieve Socialism, which necessitates first gaining a majority of convinced Socialists and then gaining control of the machinery of government. To win over the workers to Socialism involves convincing them that capitalism and all the parties which take part in administering capitalism are undeserving of working-class support, and that Socialism is literally the only thing worth fighting for.

If the S.P.G.B. case is sound then the Socialist must vote for Socialist candidates only, and if there are no Socialist candidates then not vote for any of the non-Socialists, whether Liberal, Tory, Labour, Fascist or Communist. The only object of the Socialist Party of Great Britain is to achieve Socialism, which necessitates first gaining a majority of convinced Socialists and then gaining control of the machinery of government. To win over the workers to Socialism involves convincing them that capitalism and all the parties which take part in administering capitalism are undeserving of working-class support, and that Socialism is literally the only thing worth fighting for.

How could we do this if at the same time we were telling the workers that the difference between Liberal and Tory, or between Tory and Labour, is worth fighting for? Our certainty that in the long run the workers will come over to Socialism is based on the impossibility of any party making capitalism run smoothly and in a way satisfactory to the workers. But if it is in fact an impossibility to make capitalism satisfactory to the workers, then it inevitably follows that any party which associates itself with the administration of capitalism must sooner or later find itself an object of working-class hatred and discontent. In other words, every party which becomes the Government under capitalism is bound to fall into disrepute with the workers. The only possible and logical course for the S.P.G.B. is, therefore, the one it adopts of dissociating itself from the Labour Party and every party which is prepared to administer capitalism. Our strength is bound up with our independence and with the fact that we have never misled the workers by telling them that capitalism can be made to work to their advantage.

Our correspondents draw the unwarranted conclusion that the attitude of the S.P.G.B. helps the Tories. Actually our membership is drawn from men and women who were formerly in all the capitalist parties, or in no party at all. The Socialist Party grows at the expense of Liberals and Tories, Fascists, I.L.P. and Communist, as well as at the expense of the Labour Party and the unorganised. The possibility of Socialists voting for any non-Socialist candidate does not and

cannot arise. If those who proclaim themselves Socialists were to vote later on for non-Socialist candidates, it would be because they had ceased to be Socialists—or had never understood Socialism—and in that event, having lost their political bearings, they are just as likely to vote Tory as to vote Labour. Take, for example, those so-called Socialists who voted for the National Government.

Finally, we would remind our correspondents that all over the world there are Governments of the kind they describe as "Imperialistic-Tory." Who was it made those Governments possible? Obviously not the small minority of Socialists, whose votes are so few that they could not make any difference to the result of elections. No, what made those Governments possible was, among other things, the disgust and disillusionment created among the workers, by the attempts of Labour Governments to administer the capitalist system.

* * *

IS THE LABOUR PARTY THE LESSER EVIL?

Now, agreeing that some economic system must operate until the establishment of Socialism, and that system is capitalism, is not the Labour reformism type (with all its faults) preferable to the shade that extends beyond to the Hitler extreme?

For International policy alone, is it not worth our while to support the Labour Party?

Reply.

This question, like the first one, takes no account of the impossibility of making the workers satisfied with capitalism. Because of that every party which comes into office on a wave of discontent and temporary popularity, is fated to be kicked out of office after a brief term—discredited, disliked, disheartened and disunited; to give way to another party rising on a new wave of discontent. To say that the Labour reformism type of party is preferable to other parties, up to Hitler's party, is to overlook the fact that all of these parties are reformist parties of the same general type. No political party can nowadays gain power unless it appeals successfully with a programme of reforms to the mass of the electors. Hitler is playing this game strictly according to the rules. Indeed, his promises of drastic reforms and Socialism in a few months, and his pretence of bustling energy show that he has beaten the Hendersons and Webbs and Maxtons, and the other reformist leaders at their own game.

The reference to the international policy of the Labour Party is somewhat staggering. The party which entered the war-time coalition Governments, and shares responsibility for every action of those Governments at home and abroad, is not in a position to boast that it is in any respect more enlightened than the Liberals and Tories. The international scene is not to be changed by fair words and humanitarian sentiments uttered from behind

the ramparts of the British armed forces. International discord exists because of capitalism, and the two Labour Governments in Great Britain, with their five new cruisers, their bomb-dropping on native villages in Iraq, and their "continuity" of suppression in India and elsewhere, were quite unable to remove the discord or materially alter international relationships. They were regarded abroad simply as the mouthpiece for British capitalism.

TRADE UNIONS AND POLITICS.

We note the S.P.G.B. agrees with Trade Unionism and such protective activity for the proletariat under the present conditions.

Can you, then, deny the view that those unions, to be most effective, must send representatives (at present Labour) to Parliament?

Reply.

We do most emphatically deny that the trade unions have become more effective through sending Labour M.P.s to Parliament.

The majority of the men and women workers are not supporters of the Labour Party, but are sympathetic to the Liberals, the Tories, or to no party at all. The way to get the workers to come together most effectively in trade unions is to emphasise their common interest as workers. This cannot be done if the unions are affiliated to one party—the Labour Party—and supporters of other parties are made to appear almost unfit for trade union membership. A great deal of harm is done to the trade unions through their support of the Labour Party. (A few unions have tried to get over this difficulty by running candidates as Liberals and Tories, as well as Labour.) The dangers of the position become most obvious when a Labour Government is in office. When that happens the influence of the Labour Party is at once used to prevent the unions from embarrassing "their" Government, that is, to prevent them pressing demands for higher wages.

It is not denied that against these big disadvantages the presence of trade union representatives in Parliament has certain advantages, but the disadvantages are far weightier. From the Socialist point of view one of the most serious is that the trade union M.P. almost invariably comes to regard himself as speaking for the "industry," so that we see so-called non-party groups in Parliament, representing the railways, the mines, agriculture, road transport, etc. Periodically this brings its natural consequence in the shape of trade union M.P.s in one group backing the employers against a similar group in a rival industry. This has happened, for example, in connection with the rivalry of railways and road transport.

Such a position cuts right across the lesson the Socialist is trying to teach, that the interest of the working-class is opposed to that of the capitalist class.

SOCIALISM IN ONE COUNTRY.

Can one country, having elected a Socialist Power, and the rest of the world remaining capitalistic, operate Socialism within its own borders?

If not, what would that Socialist Government do?

Reply.

The possibility of one country having a Socialist majority long before other countries need not be seriously considered, and certainly it is idle to consider it now when the number of Socialists in all the countries together is almost negligible.

The factors which govern the growth of the Socialist movement (the contradictions of capitalism, the more and more glaring evidences of wealth and poverty, the inability to plan production and distribution or to abolish unemployment, and the carrying on of Socialist propaganda) operate everywhere under capitalism. There is no sign that the Socialist movement will grow more quickly in one than in another of the more developed capitalist countries. If it should happen then it will not be a question of a Socialist Government deciding what it will do about the matter, but a question of the whole international Socialist movement deciding what it will do about it. They will have to decide in the light of all the conditions then existing. As we do not know the conditions we cannot prophesy what decision the Socialist movement will arrive at.

ED. COMM.

"SOCIALISM"

The Revised edition of our pamphlet "Socialism" is now on sale.

48 pages, price 2d. (Post free 2½d.)

A full and clear statement of the case for Socialism

Send for a copy to the LITERATURE SECRETARY
42 Great Dover Street, S.E.1

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand. Secretary, T. J. Philips, P.O. Box 522, Auckland, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

The I.L.P. and Ourselves

We have been asked to comment on a statement about the S.P.G.B. which appeared in the *Paddington Socialist Pioneer* (August 5th, 1932), published by the Paddington branch of the I.L.P.

The statement in the *Pioneer* is reproduced below:—

WAS MARX WRONG?

Workers who are confused by the three Revolutionary Workers' Parties now in existence, all claiming their support, would do well to examine that educational monthly SOCIALIST STANDARD. In the July issue there is an article on the "Socialist attitude to reforms" and (as the Socialist Party of Great Britain says that any Party which advocates the defence of the workers' standard of living, and the demanding of something within the capitalist system as reforms and, therefore, wrong) is of some importance.

We are told that Marx and Engels were prepared on occasions to compromise in order to secure agreement by which they thought would help the Socialist movement. Also that they never ceased to clarify views and change them whenever experience showed the need for change. The I.L.P. is in agreement with this and we suggest to the Comrades in the Socialist Party of Great Britain that the time has come for them to use a little more judgment and join hands with those who are getting on with the job of bringing about a Socialist Britain in our time and not in a thousand years hence. The need is too great and we cannot afford to waste time splitting hairs.

The writer of the above paragraph has misunderstood the attitude of the S.P.G.B. towards reforms and also the reference to Marx. The S.P.G.B. does not condemn the workers' attempts to defend their standard of living. On the contrary, we unreservedly support the intelligent use of Trade Union organisation and strike action to defend or improve standards of living (without, however, supporting the Communist perversion of this policy, which consists of advocating strikes on all occasions, irrespective of whether the time and circumstances are well chosen).

What we wholly condemn is "reformism," that is, the Labour Party-Communist-I.L.P. policy of building up a political party on a programme of reforms, and gaining seats in Parliament on such a programme. We say that the only party which can be of service to the Socialist movement is a party built up on the principles of Socialism and nothing else, a party composed only of Socialists.

It is correct that we said (see SOCIALIST STANDARD, July, 1932) that Marx and Engels "were prepared on occasion to compromise in order to secure agreement which they thought would help on the Socialist movement." But we did not say that because Marx and Engels did this, that, therefore, it must be a sound policy. On the contrary, we pointed out in that article that subsequent events proved Marx and Engels to be completely wrong when they thought that a programme of immediate demands could be used as a means of building up a party for Socialism.

Events have shown that every party which used that method has come to grief.

We pointed out also that Marx and Engels never ceased to clarify and change their views whenever experience showed the need for change. We fail to see, however, how this can be held to support a proposal that the S.P.G.B. should join hands with the I.L.P. and Communist Party. The writer of the paragraph in the I.L.P. paper forgets that the S.P.G.B. was itself the outcome of years of close study of the works and experience of Marx and Engels and other Socialist pioneers, and of years of personal experience of working class organisations. Profiting from that knowledge and experience, the founders of the S.P.G.B. drafted a Declaration of Principles, which has proved itself unassailable because it was, and is, in accord with the fundamental needs of the working class under capitalism.

The I.L.P. did not profit by that knowledge and experience, but chose the road of reformism. For nearly forty years the I.L.P. has led the workers up every conceivable blind alley, and has taught them every conceivable economic and political fallacy. Perhaps the Paddington I.L.P. will claim that this time they really have turned over a new leaf. We can see no evidence whatever that the new I.L.P. is different from the old one, except that it is chastened by the loss of the 200 seats in Parliament which its members held up to 1931. It has abandoned one error temporarily, the alliance with the Labour Party, only to take up a more or less new one which is even more dangerous, the doctrine of direct action by so-called "Workers' Councils."

If this departure gains support among the workers it will mean a useless bloody sacrifice, and one more crime against the working class to be added to the long list for which the I.L.P. is responsible.

H.

"SOCIALISM AND RELIGION"
48 pages. TWOPENCE 2½d. post free.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	Clapham Common, 6 p.m. Finsbury Park, 5.30 p.m. Prince of Wales, Harrow Road, W.9. 8 p.m. Victoria Park, 11.30 a.m. Cock Hotel, East Ham, 7.30 p.m. West Green Corner, Tottenham, 8 p.m. Whippe Cross, Leyton, 8 p.m. Brockwell Park, 8 p.m. & 6 p.m. Liverpool Street, Walworth, 11.30 a.m. Ridley Road, Dalston, E.8, 8 p.m. Highbury Corner, N., 8 p.m.
Monday	West Green Corner, Tottenham, 8 p.m. The Fountain, Forest Gate, 8 p.m.
Wednesday	Ridley Road, Dalston, 8 p.m. "Salmon and Ball," Bethnal Green, 8 p.m.
Thursday	Rushcroft Road, Brixton, 7.30 p.m. Jolly Butcher's Hill, Wood Green, 8 p.m.
Saturday	Pretoria Avenue, High Street, Walthamstow, 8 p.m.
Sundays	SHEFFIELD. Barker's Pool, 7.30 p.m.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by R. H. TAYLOR & SON, LTD. 56/57, Banner Street, London, E.C.1. (r.v.).

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BIRKENHEAD.—Communications to H. Dawson, 26, Vulcan Street, Birkenhead, Cheshire

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Grays Inn, Road).

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (beginning, 7th August) at 8 p.m., Pettits' Farm, Heathway. Sec. W. Waters 396, Heathway Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Fri'ay, at 8 p.m. at 141, Bow Road, E.3.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Tuesday in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., G. H. Southgate, 64, Pickering Rd., Neepsend Branch meets alternate Mondays, 7.30 p.m. at Room 10, Friend's School, Hartshead.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea. Branch meets 1st and 3rd Wednesday in the month, at 8.30 p.m. at 6, Hermitage Road, Westcliff.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest St., Mile End. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m. 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill. Branch meets 2nd and 4th Fridays in month at 8 p.m. at Cafe-Restaurant over 170, High Road, Wembley. Meeting on Friday, August 11th.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.

THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

*The time is . . .
past for . . .
revolutions
carried . . .
through by
small . . .
minorities at
the head of
unconscious
masses . . .*

F. ENGELS.

No. 350. Vol. 30]

London, October, 1933

[Monthly. Twopence]

The Shorter Working Week in Australia

WHAT IT MEANS TO THE WORKERS

At the present time, throughout the world, there is much talk about the shorter working week. Mussolini has made some suggestions to the League of Nations on the question; President Roosevelt has intimated that he intends taking steps to reduce the working week in the United States; the Australian Trade Union Congress carried resolutions calling upon workers to organise to bring about a reduction in hours so that unemployment might be decreased. Recently the workers in Queensland applied to the State authorities for a forty-hour week.

In addition to the above the Communists have been agitating for a thirty-hour week of five days. In a pamphlet issued by the Communist Party of Australia, in 1931, entitled "The Communist way out of the Crisis," we find the following:—

ON OTHER PAGES	
	Page
Words and Men	18
Donations to Party Funds	20
Wages and Prices	21
Review	22
A Reader Discovers a Mare's Nest	23
Are We Progressing?	24
Facts for Propagandists	26
Marxism a Virile "Ghost"	28
Some Questions on Economics	31

By introducing the seven-hour day and the five-day week, and by raising the purchasing power of the masses, we will abolish unemployment. (Page 6.)

The shallowness of the Communist Party's economics is revealed here; even the Trades Union Congress did not propose

to abolish unemployment with its thirty-hour week.

Less Hours—More Wealth

The history of capitalism shows that the introduction of a shorter working week does not mean the absorption of more workers to keep up the output. When the factory system began there were few regulations governing the length of time a worker could be kept on the job. Sixteen and eighteen hours per day in English factories was a common occurrence; workers were worked even longer, and such conditions exist in many workshops in Japan to-day.

In England the twelve-hour day became general and, subsequently, by legislative enactment, the ten-hour day was introduced. In Australia, for many years, there has been a legally-fixed eight-hour working day, and it is a proud boast of many old-timers that they participated in the fight for eight hours' work, eight hours' recreation, and eight hours' rest. In some individual workshops such as Lever Bros., Port Sunlight, there is a six-hour working day.

Recently, in Sydney, New South Wales, the Industrial Commission inquired into the question of the working week. The Government desired to restore the forty-eight instead of the existing forty-four-hour week. The President of the Trade Union Secretaries' Association presented the following remarkable facts at the inquiry:—

"The productive capacity of the industries of this State was greater than those in Victoria before the introduction of the 44-hour week in New South Wales, and was greater since the introduction of the shorter working week; also that for a given amount of goods the percentage outlay on wages in New South Wales was less than in Victoria (48-hour week) and the margin available for profit and interest was

greater in New South Wales than in Victoria prior to and during the operation of the 44-hour week.

"A table of statistics from official sources showed that the percentage of wages to value of output in 1930-31 was 21.7 in New South Wales, and 22.86 in Victoria. The average value of production per employee was:—

Year.	N.S. Wales.	Victoria.
1920-1	£310	£282
1921-2	328	308
1922-3	353	310
1923-4	361	321
1924-5	365	323
1925-6	382	322
1926-7	389	336
1927-8	403	344
1928-9	407	331
1929-30	410	339
1930-31	388	313

"The average production in New South Wales had been considerably higher in this period, which included the depression year, than in Victoria. In the years 1926-7 to 1929-30, when the 44-hour Act was enforced in New South Wales, the production per employee rose by £21 in New South Wales and by £3 in Victoria—SEVEN TIMES GREATER.

"These figures demonstrated that a reduction in standard hours not only maintained but improved the productive capacity of employees."

(*Labour Daily*, 17/3/33.)

Yet, in the same issue of the *Labour Daily*, Alderman J. S. Garden, of Sydney City Council, Secretary of the Trades Hall Council, prominent member of the Australian Labour Party, and one of Mr Lang's foremost boosters, while speaking on unemployment, stated:—

"... the people who were advocating 'complete socialism or nothing' were talking absolute nonsense... The basis on which the forthcoming campaign is to be waged will be a thirty-hour working week, restoration of wage cuts, etc."

(*Labour Daily*, 17/3/33.)

The knowledge that the "forthcoming campaign" will be based upon the advocacy of a shorter working week will bring little consolation to the workless after they glance through the statistics set out above.

These statistics reflect the result of the application of more up-to-date machinery to the productive process. The employers invariably find ways and means of adjusting their plant and methods when such concessions are forced from them. When we point this out we are not to be taken as being against the introduction of a shorter working week; we merely stress its ineffectiveness as a solution for unemployment.

As long as the means of production are owned and controlled by the capitalist class, that class will reap the benefits of the increased application of machinery. They own the products and decide how they will be distributed.

The lesson to be learned is that if the workers, as a class, are to gain from improvements in the means of production, they must organise on a class basis for the conquest of political power to bring about the common ownership of the means of wealth production. This is the aim of the Socialist Party. What about falling into line with us, fellow-workers?

W. J. CLARKE,
Socialist Party of Australia, Melbourne.

Words and Men

A SOCIALIST ANALYSES LITERATURE

To analyse literature we must first discover its sources. Three things are fundamental to the subject: rhythm, speech and writing. A survey of the origins and relationship of these three is, therefore, essential if we are to understand the vigorous growth and complicated development of the many phases of literature in later ages.

Let us begin with rhythm, which is the basis of all art-forms. Rhythmic sound in particular was almost certainly the earliest form of art. The reason lies in what may be called brain and nerve economy: regular pauses, or the periodic recurrence of stress, help listeners to focus their attention, and were early used as part of the ritual at tribal feasts. Such feasts would be accompanied by regular bursts of meaningless sound, of speech and of movement; these evolved into music, poetry and dancing, the three at first occurring simultaneously as a composite art-form very closely linked with religious rituals, and later branching off into their specialised channels. It will be noted that rhythm cannot occur as an art-form until there is some *social* existence, some degree of communal organisation.

Secondly, we must examine speech. Every higher land-animal is able to make sounds with its lungs, throat and tongue. Man, as he became social, developed from these purely emotional animal sounds—expressions of pleasure, pain, desire or fear—a system of labour-cries; they were closely connected with the need for rhythm already mentioned, and helped men to concentrate and economise their energy. To communicate with each other at this stage men seem to have had a crude gesture language, imitating with their hands the action to be done or the things desired. (This is a spontaneous impulse and can readily be observed in monkeys and young children; adults sometimes use it to supplement their words.) Frequently, of course, the rhythmic labour-cries and the gestures of the hands would take place at the same moment; thus arose a subconscious association between them. When, therefore, developing society and more complicated labour introduced the problem of "talking with your hands full," men easily compromised by letting their tongues, lips and palates give a rough and ready imitation of the previous hand-gestures, at the same time calling attention to their desires by emitting sounds from the lungs and larynx. Innumerable and convincing examples of the resemblance, in a given word, between the movements of the speech-organs and the corresponding hand-gestures are to be found in all the most primitive languages (A detailed exposition of this theory of the origin of speech can be found in "Human Speech," by Sir Richard Paget.)

Now, this process was not necessary—and therefore could not exist—until human *society* existed;

and it became more and more complex in direct ratio to the amount and organisation of labour and of collective activity generally. The languages of savage tribes, for example, have a mere four or five hundred words, as compared with the hundreds of thousands in French, German or English.

Without speech there is no thought; indeed, thought may be summarised as "inward speech," although this definition must be used warily. Many people contest it because they mistake for thought certain highly complicated emotions or reflex actions; neither of these is necessarily connected in any way with speech, but *abstract rational thought* cannot be dissociated from it. Words are the only means of crystallising complex associations, first of facts then of ideas, and storing them away for future reference and still further association. Since, therefore, thought is dependent on speech and speech on social organisation, it is clear that the form of society and the mode of production not only condition the *form* taken by thought, but decide its very existence.

Our third fundamental, writing, was an offshoot of painting, which in turn began as a form of "sympathetic magic"—that is, objects or incidents were depicted out of a passionate desire that they should appear or happen. (For painting as a form of Sympathetic Magic see "Ancient Art and Ritual," by Jane Harrison; Home University Library.) This use of painting to record desires naturally led—as speech and thought developed—to its use in recording ideas; as thoughts, keeping pace with social evolution, became more complex, systems of writing grew increasingly intricate.

* * * * *

It is not possible in these articles to survey the literary history of the whole world; ancient literature is closely interlaced with religious rituals and legends, and should be dealt with under the heading "Religion" rather than here; while modern developments are so bewilderingly diverse, and offer so many fascinating by-paths and magnetic individual writers, that we are tempted at every turn not to see the wood for the trees.

Nevertheless, modern literature is more easily understood than ancient, because we have at our disposal more historical facts relative to the period. It is besides more familiar and more palatable to the modern reader. We shall, therefore, after glancing at ancient and classical literature, approach our own times as rapidly as possible. It is necessary to narrow the field of observation; we shall for that reason confine our examples almost entirely to France and England, whose respective literatures afford the most abundant proof of the influence of social and economic forces on literary as on all other history.

* * * * *

Greek drama is considered one of the cornerstones of European culture. Its early forms have

marked religious characters, and are obviously the direct outcome of tribal thanksgiving rituals, particularly of the communal dances.

As primitive society gave place to Barbarism and later forms—coincident with the development of tools, the change from small to large-scale agriculture, and the growth of commodity-production and a system of exchange—a chieftain class emerged, and literature more and more became a glorification of "heroes." It is noticeable that in such literature there is never any hint that ordinary men may *become* heroes; they are born, not made. And such was indeed the state of society at that time; men remained permanently, as a matter of course, in the class into which they were born. To this period belong the Homeric legends in Greece, the Hiawatha in North America, the Kalevala in Scandinavia, and the Cuchulain and Finn cycles in Ireland—all concerned with hunting exploits or wars between tribes and petty nations, and all frequently recording almost identical incidents.

Satires originated early in song-duels (these are still to be found among some African tribes) in which two groups, each having a leader or soloist, took turns to abuse and taunt each other in the most picturesque language they could muster. Simple allegories or parables, and through them symbolism in general, sprang from magical ceremonies intended to ensure good crops or propitious spirits.

In the palmy days of Athens, under the chattel-slavery system, the ruling-class enjoyed unprecedented prosperity and leisure. Men studied each other and contemplated the universe. Ritual drama became human tragedy with Aeschylus, Sophocles and Euripides, while the rapid advance of scientific knowledge in physics, mathematics and astronomy brought about the development of prose-writing. Plato, Herodotus, Socrates and Democritus all testified to the advance of learning, and with it of clear, precise expression, at this period. Similarly in Rome some time later the lucid, majestic rhythms of Cicero and the incisive dryness of Caesar reflected both a high degree of knowledge and a simple but rigid economic and political system. The poetry of Rome was mainly didactic or professorial; this again was symptomatic of chattel-slavery, for the knowledge was graciously imparted by a cultured few to the less enlightened of their fellow-rulers.

In the early and relatively static period of feudalism originality was sternly discouraged. Only "aristocratic" literature was countenanced; that is, songs and ballads directly commissioned by the lords and barons from singing poets ("troubadours") who plied for hire from castle to castle and, of course, piped whatever tune their buyers fancied. The best preserved and most famous of such lays are the French "Songs of Deeds" (Chansons de Geste) of which the best

known is the Song of Roland, story of the half-mythical Emperor Charlemagne and his bodyguard of twelve peers. The skeleton of this song-story is provided by ancient legends of the sun surrounded by the twelve signs of the Zodiac, and by rituals of the great Earth-Mother cult and of ancestor-worship; but these crumbling bones are clothed in most mediaeval flesh, and the behaviour and outlook of the characters are essentially feudal, particularly in their unswerving loyalty to their lords and their blind submission to an abstract Duty.

With the twelfth century Western Europe was entering upon the later stage of feudalism; the towns were increasing in number and size, commerce was extending, and a citizen or "burgher" class, independent of and opposed to the Lords of the Manor, was growing in power and confidence year by year. At this time Italy, self-contained and relatively prosperous, was the leader of thought and culture.

The divergent interests of barons and burghers reflected themselves in literature; a struggle began between conservative lyric poetry—given up to adulation of lords and sanctification of ladies—and the satirical realism of the "fabliaux" (notably "Reynard the Fox") which were being chanted in the towns by the growing merchant class. These burlesque ballads depicted homely town life and mocked at courts and castles; their heroes were citizens and journeymen; they turned nobles and often priests into grotesques. At the same time we notice a growing use of dialect and colloquial speech in literature, as against Latin or the stilted old-fashioned Court language.

At this period also drama, which for centuries had been entirely religious in character, began to have a secular flavour. Irreverent comic relief or worldly advice was inserted between scenes of the Passion and Mystery Plays, and there grew up the Morality plays, in which, although the subject matter was still saturated with religious allusions and aspirations, the central characters were not supernatural but human beings.

The irruption of the burgher (or "bourgeois") class into literature is seen at its height in Italy about 1300 with Dante, in England about 1400 with Chaucer, and in France about 1450 with Villon. This sequence is exactly in line with economic development in these three countries. The three poets, however, do not present exactly identical attitudes and emotions, for they did not write at *exactly* identical periods in relation to their respective countries. Dante was the very embodiment of bourgeois *revolt*, the supreme individualist; he came before the success of the Italian burgher class, while they were still weak and galled by the restrictions of feudalism, and is therefore essentially gloomy. Chaucer, on the other hand, wrote when the burghers of England, having gained power, were consolidating it, and

he is full of pleasant humour and cheerful philosophy. The Frenchman, Villon, most interesting of the three, can be set in neither category. Nearer the threshold of the new society than Dante, he was both more jovial and alert—for life was growing fuller and held ever more diverse interests—and sourer, more sardonic, for life's pitfalls and restrictions were more apparent and more keenly felt. His poetry reflected, accurately and subtly, bitterly and brazenly, the prolonged battle that was taking place between the old and the new, a battle contested not only in society at large, but in individual brains, and in particular the poet's own.

STEWART.

(To be continued.)

Donations to Party Funds

The following donations have not previously been acknowledged:—

R.F., 2s.; Blun, £1; Grays, 1s.; Birm, 1s. 3d.; E. Coll, 2s. 6d.; Watford, £1; Spill, 6d.; A.R.S., 5s.; W.H.B., 5s.; W.H.B., 4s.; E. Lucas, 5s.; Bristol, 2s. 6d.; Stone, 2s.; Blank, 1s. 6d.; G.C.G., 8s.; P. Martin, 7s. 6d.; J. Howard, 5s. 3d.; S. Corn, 2s. 6d.; A.F., 9s.; G.R., 2s. 6d.; J.F.D., 1s.; F. Smith, £1; J. Mim, 10s.; A. Pyth, 5s.; G.W.H., 2s. 6d.; J.W.C., 2s. 6d.; M.F.D., 6s.; A. Gluks, 2s. 6d.; X. Tot, 3s. 6d.; W. T. Field, 1s. 6d.; J. Cran, 1s.; McLean, 1s.; M. Cole, 5s.; Gas, 10s.; Lit, 1s.; L. H. Hut, 17s.; Miss H., 17s. 6d.; B. Ben, 19s. 4d.; G. Frank, 5s.; F.J.H., £1; G.C.G., 3s.; T. Finney, 1s.; F. Hawes, 10s.; S.B., 1s.; A.F., 5s.; A.D., 1s. 6d.; C.T.G., £2 8s. 8d.; J.C., 1s.; W/Stow, 12s. 5d.; W. Lang, 9s. 8d.; F.T., 6d.; Blun, 1s. 6d.; G.R., 2s. 6d.; Mim, 1s. 8d.; J. Kem, 4s.; A. Moss, 1s.; A.G., 5s.; B. Fos, 1s. 2d.; E.H., 2s.; C.S., 1s.; J.H., 5s.; F.J.H., £1; F. Lucas, 5s.; W.S., £1; King, £1; J.W., 10d.; W.H.S., 2s. 6d.; Mim, 5s.; Watford, £1 1s. 6d.; G.P., 1s. 3d.; Tooting B., £1; G.R., 2s. 6d.; West Ham B., £3; G.H.B., 2s. 6d.; A. B. Trver, 2s. 6d.; Watford B., 1s. 3d.; Manchester B., 10s.; Non, 1s. 4d.; F.J.H., £1; Blun, 5s.; M.B., 10s.; G. Bellm, £1; S.M.M., 1s. 7d.; W.G.F., 2s. 6d.; J.W., 6d.; Mim, 5s.; Clark, 1s.; Reid, 1s.; Framp, 1s. 2d.; W.S., £1; I. McC., 6d.; Joe, 10s.; R.C.T., 2s. 6d.; Manchester B., 10s.; Bim, 1s.; F.J.H., £1; I. Elmer, 10s.; Goodwisher, 5s.; G. Bellm, 5s. 7d.; J.W.K., 4s. 8d.; W. Stroud, 10s.

J. BUTLER, Treasurer.

15/9/33.

Correction

The Origin of Unemployment Insurance.

In an article in the September issue, "Do Social Reforms Kill Socialism?" it was implied that Unemployment Insurance was directly borrowed from Germany. This appears not to have been the case. Health Insurance was directly borrowed from Germany, and the working of the Health Insurance system there was known to those who introduced Unemployment Insurance in England, but although the practice of Governments making payments to the unemployed was, of course, known, the principle of insurance had not been applied to it. In a Liberal Party publication, "A Nation Insured," written by Leo Chiozza Money and published in 1911, it was stated that "in unemployment insurance Britain is leading the way."

This correction does not affect the argument contained in the article.

E.D. COMM.

ANSWERS TO CORRESPONDENTS.

Owing to pressure on space, replies to several letters have been held over.

George Paton.—Letter returned by Post Office marked "Unknown" at that address.

Wages and Prices

ARE WAGE INCREASES AN ILLUSION?

A correspondent asks the following question:—

Would the workers be better off if they had higher wages? As far as I can see, if there is an appreciable rise in wages, the price of goods must be higher. Am I right or wrong?

Reply.

This question is one of which little has been heard during the past ten years, but during the years 1914 to 1921, when prices were rising, it was in the forefront of every discussion at trade union and political meetings. If prices rise again this old bogey will be trotted out once more. How old it is can be seen from the fact that the question was put to Marx nearly seventy years ago, and was answered by him in the lecture which is republished in the pamphlet, "Value, Price and Profit." That answer has stood the test of time, and has never been bettered. Our correspondent and others who are interested are strongly advised to read it in order to supplement the brief explanation given below, and the somewhat fuller treatment in our pamphlet, *Socialism*.

The first thing to notice is that the prices at which articles sell are not fixed at whatever amount the capitalist chooses to select. Competition between capitalists, each trying to realise a profit by selling his goods, prevents the individual capitalist charging a price far above the average market price for that article. The determining factor in all prices is the value of the article, that is, the amount of labour required in its production, including, of course, the amount of labour required in the production of machinery, fuel, buildings, etc., with the aid of which the process of production is carried out. When we say that a bicycle is worth £5, what we are really saying is that the amount of labour required to produce the bicycle is the same as the amount of labour required to produce the weight of gold represented by five £1 notes.

"Labour-power," which is the commodity sold by the workers to the capitalists, has its value determined in a similar way. The value of labour-power is determined by the amount of labour required for the upkeep of the worker and his family. The price at which the worker sells his labour-power is his wages.

We see, therefore, that prices and wages, under a given set of conditions, are alike determined by factors outside the control of the capitalists.

The next point to realise is that the values of the goods produced by the workers are not determined by the amount of the workers' wages. The values of the goods are determined by the average amount of labour (number of hours of labour) required in their production.

For example, in a 48-hour week, a worker might produce goods whose value is £5, but the

amount of labour required for the upkeep of the worker is only 24 hours, which would mean that his wage is about £2 10s. The capitalist keeps the difference between the worker's product and the worker's wages.

If wages fall and the product remains the same, the employer's profits are increased. If wages rise the employer's profits are decreased.

Therefore, it is not true that higher wages are of no good to the worker. Nor is it true that higher wages lead to higher prices.

The truth of this can be tested by observation. If the capitalists could raise prices just how they like they would never object to higher wages or to higher taxes. Yet we see in practice that the capitalists will go to enormous trouble and expense to defeat a demand for higher wages or higher taxes. They know very well indeed that higher wages mean smaller profits.

The truth of the position outlined above is easily seen at times when the general level of prices remains unchanged. It is, however, not so clear when prices are rising or falling. Owing to changes in the amount of labour required in the production of articles of all kinds, or in the production of gold (due, for example, to new machinery and new methods), it is possible for all prices to rise or fall. When prices rise it costs more to provide for the upkeep of the worker, and consequently wages rise also, although in practice we generally find wages rising more slowly than the workers' cost of living.

When prices fall it costs the worker less to provide for himself and family, and wages then come down along with prices. Sometimes, as in Great Britain, during recent years, wages fall rather more slowly than prices.

At times of rising prices, the capitalists and their agents and also many muddleheaded labour leaders, put forward this false theory that wage increases lead to higher prices, and are useless. The capitalists do this because they hope thereby to dissuade the workers from striking for higher wages, and hope to get them to accept permanently a lower standard of living. The workers should resist such attempts and should never miss a real opportunity of struggling for higher wages.

At a superficial view it may look inconsistent to struggle to raise the standard of living if the workers' wages are based on what it costs to keep him and his family. It is, however, not inconsistent because the workers' cost of living is not merely the cost of bare necessities. It can, and usually does, include other factors depending on tradition and the needs and customs of the trade in which the worker is employed and of the country in which he lives. If the workers are able at a particular time to resist wage reductions during a period of falling prices, or are able to gain and hold wage increases at a time of stable prices, they

can to that extent better their position and improve their standard of living. As, however, this can only be done at the immediate expense of the employers, the latter will always strive to prevent it, and if the employers find it expedient to give way at the time, they will always endeavour to recoup themselves later on by speeding-up the work, introducing "labour-saving" machinery, employing a cheaper type of labour, employing women and juveniles in place of men, etc.

Therefore, while the wage struggle is necessary and it would be disastrous to give it up, it can never solve the real problem which faces the workers. That cannot be done by the day-to-day struggle against the capitalists. It can only be done by gaining control of the machinery of government and abolishing capitalist ownership and control of the land, factories, railways, etc.

ED. COMM.

Review

"A Countryman Talks About Socialism," a pamphlet of 20 pages by H. B. Painting and published by the Socialist League, 23, Abingdon Street, S.W.1. Price 2d.

This pamphlet is written in the form of conversations between a ploughman and three villagers who are Socialists. Through their mouths is traced, for the benefit of the enquiring ploughman, the origin of private property in land and its changing form and developments through its various stages up to the breakdown of the feudal agricultural system and the growth of peasant holdings and capitalist farming. It is explained in a simple and clear way how a propertyless class of wage-earners, whose only means of living is the ability to sell their labour-power for wages, came into existence. There is, however, a vagueness about certain points. For example, on page 10 one character is made to say to the other: "You've got some of the gild's functions left in your trade union." What these functions are is left unsaid, and it is possible that readers would interpret such a statement as meaning that there is a common basis for, or connecting link between, the mediæval craft gild and the modern trade union. It is impossible to accept that view in the light of modern researches.

The gilds, which were associations of masters and apprentices, died before the rise of the capitalist industrial conditions which gave birth to trade unions.

On the same page the same character says: "The employer, as time went on, invented the idea of the factory." This credits the early capitalists with much more foresight than they possessed. Factory production was not an invention of the capitalists, but a growth which was forced upon them by the changing processes of

production. In fact, in certain industries such as weaving, even after factories were fairly widely established in other trades, factory production lagged behind because the weaving process had not evolved beyond the domestic stage of production.

On page 14 capitalism is likened to an aged donkey which, being overladen with goods, might collapse under the strain. Anyhow, it is said, the donkey must die. Here, again, there is no explanation, and the reader could easily interpret from it what the author does not intend. The analogy is weak and rather dangerous.

Except for the points enumerated, the general historical analysis and the conclusions are sound. Mr. Painting should remember, however, that to represent the case for Socialism, as stated in his pamphlet as being identical with the policy of the Labour Party, is undoing what good effect such a pamphlet might otherwise have. It is significant that the publishers, the Socialist League, say that: "It must not be taken that all the views expressed by individual authors are necessarily those of the Socialist League."

The Socialist League is affiliated to the Labour Party and has taken the place which was, until recently, occupied by the I.L.P. This pamphlet gets nearer to a correct conception of Socialism than is usual with pamphlets published by the I.L.P., which, despite its eagerness to prove itself to be a real red (shirts and all) revolutionary party, never got beyond the conception that Socialism means State controlled butchers' shops undercutting private traders, as exemplified in their pamphlet, "Socialism at Work in Queensland."

H. W.

LEYTON

Lectures are being given on Sunday evenings at the

TRADES AND LABOUR HALL,
GROVE HOUSE, HIGH ROAD, LEYTON.

October 1	"Why Socialism Must Come."	G. CAMERON.
" 8 "	"The Abolition of the Working Class."	E. WILMOTT.
" 15 "	"Socialism and No More War."	S. RUBIN.
" 22 "	"Dictatorship of the Proletariat."	S. GOLDSTEIN.
" 29 "	"Life and Teaching of Marx."	S. CASH.

Commence at 8 p.m. Admission free.
Questions and Discussion. Non-Members invited.

Trade Union Branches

The Socialist Party of Great Britain is prepared to consider applications from Trade Unions and other organisations for a representative to state the case for Socialism. Travelling expenses only are required.

"SOCIALISM AND RELIGION"
48 pages. TWO PENCE 2d. post free.

A Reader Discovers a Mare's Nest

Tottenham.

The Editor,
Dear Sir,
Being a regular reader of the SOCIALIST STANDARD I observe the continual change of its policy towards Marrian Socialism and can only come to one conclusion, that there is a mental mix-up of those who form the Editorial Committee of the Party. To state a definite case for Socialism in previous SOCIALIST STANDARDS and then to contradict it in a following issue certainly needs an explanation, for to continue such tactics is certainly not in the interests of the working class.

Having made my charge I will now proceed to substantiate it. Firstly, in the SOCIALIST STANDARD, March, 1925, page 297, after criticising the Minority Movement and condemning its reformist policy, it states: "To appeal, therefore, to Capitalists and their Labour agents to pass certain legislation, is to support the present system and those who rule it." This is the policy that Marx always advocated, and never did he modify his views in favour of accepting capitalist reforms. This cannot be said for the S.P.G.B., who—as I will prove—now show a complete disregard for Marx on this point.

For in the SOCIALIST STANDARD, April, 1926, page 122, there appears the following: "The Socialist Party is out to obtain all that can be obtained for the workers under capitalism." Thus we see that after criticising both Communist and Labour Parties for advocating and accepting capitalist reforms, the S.P.G.B. are doing exactly the same thing. I wonder what Marx would have said and whether he would recognise the S.P.G.B. as a genuine Socialist movement?

I could continue giving examples of the inconsistency of this party from more recent issues of the SOCIALIST STANDARD, but I consider that the above facts are quite sufficient to warrant a justification for the S.P.G.B.'s criticism of other political parties, if such is possible.

Finally, I shall look forward to a reply in the SOCIALIST STANDARD.

I am,
Yours, etc.,
H. TIMMINS.

Reply.

Our correspondent describes himself as a "regular reader," but his letter could not have been written if he had read the two articles with reasonable care. Had he done so he would have seen that there is no contradiction whatever. The two articles express exactly the same viewpoint. This can easily be made clear by giving some further quotations.

The first article (March, 1925) dealt with the fallacies underlying the so-called Minority Movement. The article pointed out that a minority is in the hopeless position that if it demands something which the capitalist ruling class do not wish to give, then its demands are ignored and the minority is helpless to enforce them. This would apply to a demand for Socialism made by a minority. Consequently, minorities which wish to appear effective (the Minority Movement, for example), put forward programmes which the capitalists may be willing to agree to and able to agree to without injury to capitalism. In other words a majority movement can enforce its demands, while a minority movement can only appeal to the Capitalist Government to do something.

The article runs as follows:—

The fact that they call themselves a Minority Movement damns them from the start, for, on the

economic field, numbers count when a contest is on for obtaining some advance. Not minorities, but majorities, are then required, and a minority left to fight for some demand is doomed. The mass of the workers must be united in support of a national advance before we can expect them to obtain it.

After criticising the specific demands put forward by the Minority Movement, the article continues:—

The political proposals of this movement could only be carried out if those in control of Government passed the demands into law. To appeal, therefore, to Capitalists and their Labour agents to pass certain legislation is to support the present system and those who rule it. It is to ask the workers to prolong capitalism by voting for those politicians who have a programme of properly selected reforms.

The other article referred to by our correspondent (April, 1926) puts forward precisely the same argument. Our correspondent by quoting three lines and ignoring what goes before and after discovers an entirely imaginary difference.

This is the whole relevant passage:—

It is characteristic of the Communist and "Minority Movers" that in one breath they avow their contempt for Parliamentary procedure, and, in the next, call upon the workers to send in petitions to the House of Commons.

The Socialist Party is out to obtain all that can be obtained for the workers under capitalism. We know sufficient of capitalism, however, to realise that the only way to obtain the smallest advantage is to oppose the enemy, both on the economic and political fields.

It will be seen that the two articles are identical in condemning the policy of petitioning or appealing to the capitalists, and identical in urging the very opposite policy of coming out in complete opposition to the capitalists.

So much for the first of our correspondent's mare's nests. We await the others he promises.

Before concluding, we cannot pass over the inaccurate and illogical references to Marx.

Our correspondent quotes the passage beginning, "To appeal therefore to capitalists" and says (quite correctly), "This is the policy that Marx always advocated," i.e., the policy of opposing the capitalists instead of appealing to them.

Then our correspondent concludes his reference to Marx with the words, "Never did he modify his views in favour of accepting capitalist reforms."

Now the first statement about Marx is correct. The second is false. Our correspondent, however, seeks to convey the impression that the two statements are really identical, which they are not. What he has done is to use the word "appeal" in the first, only to replace it by "accept" in the second.

So far from telling the workers to refuse to accept reforms (how they could do so our correspondent does not explain), Marx welcomed such reforms as the shorter working day and valued them highly (probably more highly than they deserved). But he never advocated the useless policy of appealing to the capitalists for such reforms.

ED. COMM.

THE SOCIALIST STANDARD



OCTOBER,

1933

OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

Are We Progressing?

Hopes and Fears for Socialism

The man who says that he has no use for theory is wrong—and dangerous. Yet the Socialist is always coming up against people who justify their lack of concern about Socialist theory by some such jibe at all theory. In the matter of politics, as in the care of the human body, the man who believes that he acts on no theory at all, but on "common-sense," is, in fact, only acting on the theories which happen to be most widely accepted at the moment. In the field of politics this is almost tantamount to saying that such a man is bound to be wrong, for are not the existing widely-accepted theories the ones which have been applied without success as a cure for the existing evils?

There are sound theories, that is theories which are in accord with the existing facts and which, if applied, will produce the result intended; and there are unsound theories. The man who "does not believe in theory" is blindly accepting the unsound theories propagated by those who do not understand the economic and political situation and by those who have an interest in maintaining it as it is, evils included. The two theories found most frequently among those who will not listen to the Socialist case are not confined to any one political party, but are common among Liberals and Tories, Labourites and Communists. The first is the theory that conscious organised action to achieve Socialism is not necessary because, in spite of appearances, "things are getting constantly better and better." The second is the theory that conscious organised action need not be taken because everything will go on getting worse and worse until there is a really terrifying crash "which will simply force people to do something."

Superficially both theories appear to be

plausible enough: fundamentally both are hopelessly wrong. They are dangerous to those who hold them and a serious obstacle standing in the way of the Socialist movement.

The first theory appears to be true because at any given moment there always does seem to be a great deal of activity directed towards making things better. Just at present we are being promised better trade and less unemployment, the abolition of slums, a better organised milk supply, better transport, shorter hours, electricity in our homes—and, of course, higher wages. The snag in it is twofold, firstly it is so far all talk, and the resulting performance—when it comes—will produce quite a small mouse compared with the mountain of promises, and, secondly, that by the time this mouse has been brought forth, capitalism, the source of our present troubles, will have given birth to a large number of other terrifying evils. If you doubt this look back over the past hundred years of "solutions" of the housing problem, the poverty problem, the unemployment problem, the hours problem and the wages problem. They are always being solved. "Solutions" are the permanent stock-in-trade of the capitalist politicians. If you feel disposed to give a chance to some young political group which roundly denounces the old gangs for their failure, remember that the old gangs all began as young fire-eaters; and observe that the planks in the programmes of the new gangsters are only the same old worm-eaten rubbish with a new coat of paint.

The other theory, the theory of "crash," looks plausible because periodically unintelligent discontent does burst forth in the shape of violence and destruction.

Yet both theories are unsound. Neither the gradual accumulation of social reforms, nor the periodical outburst of violence solves the problem which faces us. To see that this is so it is only necessary to glance over the events of the past 30 years. In spite of wars and upheavals, Labour Governments and dictatorships, capitalism persists without any essential change for better or for worse. It makes a little adjustment here and another there, it replaces one set of rulers by another set, it calls things by different names, but the same essential capitalism is here with us yet.

Thirty years ago dawn was announced in the Welsh hills by David Lloyd George. Poverty was to be abolished from this land of plenty. Health insurance—9d. for 4d.—was to guard us against the hardships of illness. Labour exchanges would find work for the unemployed. The land tax would undermine the power of the privileged class. If there were anything in the theory that progress only needs a "good leader," here was the man. Energetic, clear-headed, bold and able to understand working-class problems. What happened? Nothing very much. The hopes of the workers and the fears of the rich were alike confounded.

Then came the crash, the war. Now—so we

were told—the workers would be driven to revolt, and then the new world would be ushered in. The results were otherwise. War-weariness was astutely canalized by this same Lloyd George, with his promises of a "land fit for heroes to live in," and his rallying cry to the workers to "be audacious." In Great Britain the end of the war saw the workers marching happily behind the man who had betrayed them before.

Then the dawn suddenly shot up in several places all at about the same time. Labour Governments in Australia, so-called Socialist revolutions in Russia, Germany and Austria, followed by a short-lived Bolshevik triumph in Hungary.

What now has happened to those extravagant early hopes? The Socialist Party of Great Britain stood alone in this country when it warned the workers that they were putting their trust in shadows. All those dawns have faded, even if some are not yet everywhere recognised for what they are. The same thing happened with the two Labour Governments in Great Britain, 1924 and 1929-31.

Then there came hopes and crashes of a different sort, the rise of the Fascists in Italy, followed in 1931 by the National Government in England, and in 1933 by the rise of Hitler in Germany. Part of the working class hailed these events with just the same pathetic fervour as was shown by another part of the working class at the rise of Labour Governments and the rise of the Bolsheviks. So that there was the curious spectacle of one section of the workers looking on MacDonald, Mussolini and Hitler as

heroes come to save them, while other workers regarded these men as the embodiments of evil, signifying the collapse of economic life as we have known it, which in fact would mean the collapse of capitalism.

Yet it goes on. Capitalism adjusts itself. Workers go to work under much the same conditions as before. Unemployment, poverty and bad housing continue under dictatorships of the "left" and "right" just as they do under limited monarchies and democratic republics. The means of production and distribution go on being privately owned. Rent, interest and profits, that holy trinity, continue whatever the political form under which capitalism is governed, and whatever political doctrines the ruling clique profess to hold.

Capitalism persists in spite of all the energy and enthusiasm swallowed up in the movements of reform by peaceful penetration and the movements of reform by violence and collapse.

The "inevitability of gradualness" flounders in the same bog as the communist-fascist theory of progress by chaos.

That is the result of following two unsound theories.

Answer to a Correspondent

Hardships under Socialism

A correspondent asks us to explain our statement to another correspondent that hardships may be inevitable under any social system. He asks us to give some idea of the kind of hardship possible under Socialism. We had in mind the

THE SOCIALIST PARTY OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be wrought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

kind of hardship which is not due to defective social organisation, but to other uncontrollable or unforeseen causes; for example, earthquakes, storms, floods, and large-scale changes of climate. Such happenings may so disorganise production and transport that temporary hardship cannot be prevented, or may result in the depopulation of whole areas. What must, however, be remembered is that society as a whole would bear the brunt of these hardships so far as would be physically possible by coming to the aid of those immediately affected. Under capitalism these things are left to chance assistance by charitable organisations, subsidised to some degree by governments. The amount of such assistance is invariably inadequate and if the event does not happen to arouse widespread interest, the victims may be left to fend for themselves.

The chief hardships under capitalism are not due to such causes, but are the result of the private ownership of the means of living. They will disappear under Socialism. • ED. COMM.

Facts for Propagandists

A correspondent asks a number of questions on matters of general interest to propagandists. Questions and answers are given below.

(1) THE WORKING CLASS.

Question: "What percentage of the total population are really members of the working class?"

Answer: The working class consists of all those people who, not owning sufficient property to be able to live without working are compelled to sell their labour power, their mental and physical energies, to an employer in order to live. These and their dependents form the working class. As the definition covers not only the industrial workers, but also technical, professional, supervisory and managerial workers it will readily be seen that in an advanced capitalist country like Great Britain the working class and their dependents constitute the great majority of the population.

How large is the proportion of working class to the rest of the population can be seen from the estimate made by Dr. Bowley and Sir Josiah Stamp in "The National Income, 1924" (Published by Clarendon Press, 1927).

On page 12 they estimate that in 1924, out of 20,300,000 "occupied persons," 76 per cent. were wage earners, and 14 per cent. salary earners, total 90 per cent.; leaving 10 per cent. for the rest of the occupied persons. This 10 per cent. was made up of 6 per cent. "Independent Workers" and 4 per cent. "Employers, Farmers, and Professional." ("Independent Worker" means one-man businesses, etc.)

Carr-Saunders and Caradog Jones, in the "Social Structure of England and Wales"

(Oxford University Press, 1927) reproduce the above figures (p. 63) and add the illustration that, on an average, there are about 24 employees to every employer.

Some qualifications need to be made. The above estimates refer to "occupied persons" only, and do not include children, wives, and other dependents who are not "occupied." If we assume that the average number of dependents of a wage-earner or salary-earner is roughly the same as the average number of dependents of an employer or of an "independent worker," we can say that the total population of all ages is divided in the same proportion as the occupied persons.

In other words, taking every man, woman and child in the country, 90 per cent. can be described as "working class," 6 per cent. "Independent," and 4 per cent. "farmers, employers, or professional." ("Professional" means doctors, barristers, free-lance journalists, etc.)

It is not known how many property owners who need not work actually do so and are reckoned among the above 90 per cent.

(2) WHO OWNS THE MEANS OF PRODUCTION AND DISTRIBUTION?

The position is that the great bulk of the accumulated property of all kinds (including money) is held by a very small part of the population, either direct, or through their ownership of the shares of companies. A small proportion of shares in companies is owned by workers. There are also independent persons (owners of one-man businesses) who own a small part of the total property.

Carr-Saunders and Caradog Jones, in their "Social Structure of England and Wales," reproduce and comment on various estimates of the ownership of accumulated wealth. They use Sir Josiah Stamp's estimates to show that in 1919—

about two-thirds of the wealth is held by just under 400,000 people (or less than 1 per cent. of the total population) and one-third of the wealth by 36,000 people (or less than 1 in 1,000 of the total population). (p. 114.)

Taking "occupied persons" instead of the total population, Sir Josiah Stamp's calculations show that—

about 2½ per cent. of occupied persons over 20 hold about two-thirds of the wealth, and about 2½ in 1,000 hold one-third of the wealth. (p. 114.)

They quote Professor Henry Clay that—

64 per cent., or rather less than two-thirds of the wealth is in the hands of 1.7 per cent. of persons holding property.

These people ("1.7 per cent. of the persons holding property") represent only 0.85 of the whole population (p. 116).

According to Clay, at the other end of the scale—

96.2 per cent. of persons have only 17.22 per cent. of the national capital. (p. 116.)

Sir Leo Chiozza Money showed before the

War, in his "Riches and Poverty" (Third edition, p. 72), that—

about one-seventieth of the population owns far more than one-half of the entire accumulated wealth, public or private, of the United Kingdom.

Mr. Hargreaves Parkinson, of "The Economist," in his "The Small Investor" (Blackie and Son, Ltd., 1930), shows that the total accumulated resources of "small investors" amount to only about 10 per cent. to 14 per cent. of the total wealth of the country. Under "small investors" he includes the owners of all kinds of savings, including Post Office savings deposits, Trade Union Thrift Funds, Co-operative Society Funds, etc. These "small investors," he says, represent at least 75 per cent. of the total population (p. 110).

In other words, according to Mr. Parkinson, more than three-quarters of the population own only about one-eighth of the wealth. The other seven-eighths is owned by less than one quarter of the population.

(3) WHAT PERCENTAGE OF ALL WEALTH IS OWNED BY BANKS AND INSURANCE COMPANIES?

We have no means of ascertaining easily what is the total value of all the property owned by Banks and Insurance Companies.

It must, of course, be remembered that the property of the Banks and Insurance Companies is actually the property of the shareholders, depositors and insured persons, and is, therefore, already reckoned in the estimates given in reply to question (2).

(4) THE WORKERS' WAGES.

"What is the average wage of the workers in Great Britain?"

Colin Clark, M.A., in "The National Income (1924-1931)," states that Bowley and Stamp estimated the average earnings of 12 million wage-earners in 1924 at £122, while Clark himself estimated £116 ("The National Income," published by McMillan, 1932, p. 61).

These amounts are equivalent to about 46s. and 45s. a week. They do not allow for deductions for sickness and holidays.

Since 1924 wages have fallen appreciably; according to Dr. Bowley by 3 per cent. up to 1931. This would make the average wage now about 44s.

(5) UNEMPLOYMENT AND THE POOR LAW.

"What percentage of the population is unemployed and in receipt of public assistance?"

On May 22nd, 1933, the total number of unemployed on the Registers of Employment Exchanges in Great Britain and Northern Ireland was 2,653,852. (See "Labour Gazette," June, p. 207.)

This represented 20.5 per cent. (one in five) of the insured workers.

It represented nearly 6 per cent. of the total population. (There are, of course, an unknown number of unemployed who are not insured and not registered.)

The number of persons in receipt of poor relief in England and Wales (both outdoor relief and relief in institutions) was 1,340,638 at the end of December, 1932.

This represented about 3.3 per cent. of the total population of England and Wales. (See "Labour Gazette," March, 1933, p. 84.)

It includes, of course, a large number of persons registered at the Employment Exchanges as unemployed. With their dependents these number nearly 400,000.

(6) WHO ARE THE BUYERS OF SHARES?

"Who are the institutions of people who buy or oversubscribe the usual large issues of shares?"

Except by having inside knowledge of the subscriptions to particular issues of shares it is not possible to have direct information which would answer this question.

A general indication of the position, however, is given by Mr. Hargreaves Parkinson in "The Small Investor." He estimates that small investors (who, with their dependents, represent over three-quarters of the population) own shares totalling between £500 millions and £750 millions, and that they buy shares in normal times at the rate of between £20 millions and £40 millions a year.

Divided over the whole number of persons these amounts are trifling.

How small they are can be seen by comparing them with the total holdings of shares, and with the total amount of new shares bought each year by the big investors.

"The Bankers' Magazine" keeps an index of the average price of 365 representative securities. These 365, which represent only part of the total number of securities quoted on the Stock Exchange, had a total market price in June of £6,249 millions, i.e., about ten times as much as the total shareholdings of the "small investors."

The "Stock Exchange Official Intelligence (1931)" states that at the end of 1929 there were 108,698 companies having share capital totalling £5,200 millions (p. 203).

Whereas the "small investors," according to Mr. Parkinson, buy shares worth only £20 to £40 millions a year, the total amount of capital of new companies registered in 1928 and 1929 was £237 millions and £240 millions ("Intelligence," p. 203).

The bulk of the shares are bought and held by Banks, Insurance Companies, trading and industrial concerns, investment trusts, etc., and by wealthy individuals.

(7) WAGES AND WEALTH PRODUCTION.

"What percentage of the wealth produced by the workers is returned to them as wages?"

Colin Clark, M.A., in his "The National Income, 1924-1931," estimated that in 1929 the wage-earners received 39.9 per cent. of the total

national income (excluding income from abroad, i.e., from foreign investments, etc.).

Salary earners received 22.5 per cent. Rent of land and buildings accounted for 7.8 per cent., and profit and interest accounted for 29.7 per cent. (p. 72).

In other words, the wage and salary earners, who represent nine-tenths of the population, received just over three-fifths of the total national income.

The wage-earners, who represent three-quarters of the population, received only two-fifths.

These figures relate to the whole number of wage earners, irrespective of whether they are engaged in wealth production or whether they are engaged in financial, trading, and other activities.

Taking Manufacturing and Mining Industries only, the Committee on Finance Industry (Mac-Millan Committee) in its Report (1931) published tables showing that earnings represent just over one-half of the wealth produced in those industries. (52 per cent. in 1906-7 and 55 per cent. in 1924.) (See p. 313.)

In 1924 the average net product per person employed was £220, while average earnings was £120. This means that each person employed was producing a surplus of £100 a year, over and above his own pay and after meeting all the raw material and other costs.

(8) WEALTH AND WASTE.

"What percentage of workers are engaged in luxury or useless or redundant occupations?"

An attempt to estimate this percentage is made in our pamphlet, "Socialism," to which our correspondent is referred.

(9) THE CHURCHES AND PROPERTY.

"What percentage of all wealth is owned by religious organisations?"

We have no information on this subject.

(10) THE COST OF THE ARMED FORCES, ETC.

"What percentage of the total income is devoted to the upkeep of army, navy and police?"

The cost of Police pay in 1931 was about £15,600,000. (See Report of Committee of National Expenditure, 1931, p. 42.)

The Army, Navy and Air Estimates for 1932-33 amounted to about £104 millions.

Taking the two figures together, we have a grand total of £120 millions.

Colin Clark estimated the total national income in 1931 at £3,322 millions. Therefore, the cost of the army, navy, air force and police represents about 4 per cent. of the total national income. H.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc
80 Pages—Price 3d. (Post free—4d.)

Marxism a Virile "Ghost" (Conclusion)

One of the strangest sights that could be brought within the range of human experience is the living existence of that which previous experience had definitely calculated as dead.

But our *John o' London's* scribe may have the honour of adorning himself with the "Pope's mantle" for having seen that which is "dead" yet it "still liveth." Rising to giddy heights of contradictory ability in his article "Marxism is dead," he "unblushingly" informs his readers that it is still alive.

He says that "the essential truth of the doctrine of surplus value is now almost universally admitted by economists of all schools." What a Journalistic Daniel come to judgment. Now either these economists must be treading the earth uncomfortably burdened with a ghost, or their knowledge of the body's vitality is such as to prove it to be very much alive. We leave Mr. Clifford Sharp, the author of the article in question, to make his choice free of charge. He attempts to outline the meaning of surplus value, but his opening statement proves him to be utterly unacquainted with Marx's writings, unless, of course, he merely desires to misrepresent them. He commences with wages. "The price of labour," he says, is normally determined by the "bare cost of subsistence." We will undertake to supply him with a small pamphlet in which it is written that such terms as value or price of labour are senseless terms within the meaning of economic science. The booklet we refer to is "Value, Price and Profit"; the author is Karl Marx. Therein Marx explains that when using the phrases "value or price of labour" he does so only in the popular slang sense of the term. Therefore the statement is not Marxian. Rather is it representative of the classical school of political economy in Adam Smith and David Ricardo. Even the newest student of Marx knows how he criticised these economists on that very point of their theories.

When the capitalist pays wages to the workers he but hands to them the price of their labour-power, and not the price of labour, which is totally different. The distinction is important. "When we speak of capacity for labour," says Marx, "we do not speak of labour, any more than when we speak of capacity for digestion, we speak of digestion. The latter process requires something more than a good stomach." ("Capital," Vol. 1, page 152.)

If our critic fails to see the difference in question, and thinks it purely theoretical, then many a capitalist will reveal to him the distinction in practice. When the capitalist has his goods or commodities placed on the market for sale, he is in fact offering to prospective buyers things which

have labour embodied in them, they are but products of social labour, and have cost him so much money for wages plus other expenses for raw material, etc.

Obviously if the wages paid were the price of the labour contained in these commodities there could not arise any profit to the capitalist.

But the world of capital "do move." Broadly speaking, wages cover the cost of the things required by the workers to enable them to maintain their energy as producers of wealth. In buying that energy the capitalist buys a commodity much in the same manner as he buys any other as far as its value or price goes. But of all the commodities, the energy of the workers, their labour-power, has the great merit to the capitalist that it produces a greater value than it itself possesses. Labour-power when in useful motion results in products which have labour stored within them. Not the labour of this or that individual, but the labour socially necessary, gives these products their value and finally their price. Between the cost of that labour-power and what the capitalist ultimately realises from the use of labour-power in the form of saleable commodities, arises what is known as Surplus Value.

Our critic thinks the doctrine of surplus value somewhat "crude," in that it ignores the "benefits of cheap luxuries" which arise from the process by which surplus value is gained from the ever-increasing efficiency of production. Ye gods! How the millions of unemployed workers must be revelling in the benefits of "cheap luxuries." We often wondered why they rushed to the labour exchanges on pay-day; now we know. Who knows what capitalism may yet have in store for us? We may yet be able to take the favourite trip down the Mediterranean and generally travel the world for months on end out of even the smallest wage. But we confess to our being quite pessimistic as to the prospects, no matter how cheaply "luxuries" may be produced in the future.

But his handling of Marx's view of the means by which wages are determined provides a precious pearl of political economy. He alleges that according to Marx wages are determined by the "bare cost of subsistence," i.e., the minimum wage or salary which the average worker will accept as an alternative to destitution or the dole. What nonsense, to be sure! Where, may we ask, is to be found in Marx's writings such a grotesque caricature of economic realities? How much more will the workers want in wages than what amounts to destitution or the dole? A shilling a week, two shillings, or half-a-crown? The position needs merely stating in this form for its absurdity to become obvious to even the average journalist. The "bare subsistence" theory of wages is not Marxian at all. Marx's theory of wages can only be understood when its historical and social factors are fully comprehended. When Marx analysed

the economic workings of capitalist society and formulated his findings thereon, he had seen clearly enough the historical background of that society. In point of fact his conception of the evolutionary process in human society is complementary to his economic theories. Hence with wages alone their historical and social make-up is amply allowed for in Marx's system. Perhaps the following reference may give an idea of the truth of this statement. "His natural wants, such as food, clothing, fuel and housing, vary according to the climatic and other physical conditions of his country. On the other hand, the number and extent of his so-called necessary wants, as also the modes of satisfying them, are themselves the product of historical development, and depend therefore to a great extent on the degree of civilisation of a country, more particularly on the conditions under which, and consequently on the habits and degree of comfort in which, the class of free labourers has been formed." ("Capital," Vol. 1, page 150.)

Perhaps this may be sufficient to convey to our critic how enormously wide of the mark he is when aiming his shot at the Marxian "Law" of wages.

We assure him that with space, time and inclination we could make this position on wages much more illuminating, not only to his own type of Marx-critic, but likewise to many who pay mere "homage" to Marx's work. The theories of Marx are not to be dismissed by a mere article in a half-baked serio-pseudo-scientific journal. If only the tiniest fraction of the time Marx spent in formulating his theories were spent by those who criticise them in an effort to understand them, much that is said against Marxism might never see the light of day.

However, before concluding, there are one or two further points made by our opponent to be touched upon. He says Marx failed to see or foresee "three very important factors in the development of capitalism." There are (1) the invention of the Joint Stock Company, by which the ownership of capital was widely distributed amongst all but the very poorest classes, (2) the political power of organised labour, which has led, especially in England, to the steadily increasing comfort and security instead of the increasing misery of the wage-earning class, (3) the development, especially in America, of a very large measure of equal economic opportunity for all classes.

Surely *John o' London's Weekly* is large enough to contain "facts and figures" to help sustain these unsupported assertions. Why were these not given? We suggest that Mr. Clifford Sharp, even if he had the desire to prove his case, found himself utterly unable to do so. A series of mere assertions hardly merits a detailed reply; they merely call for an explanation of their validity. For our part we summarily dismiss the three statements above as being contrary to the

facts. Perhaps Mr. Sharp will oblige with the information to prove how capital is so widely distributed to permit any appreciable number of the workers to be "interested" in Joint Stock Companies. To prove the steadily increasing comfort of the workers when compared with the increasing wealth of the capitalist class, not merely in this country and America, but throughout the world. That reference to the "political power of organised labour" really wants some beating, for as workers ourselves we haven't the faintest notion that organised labour has gained such power. However, any criticism of Marxism, to be complete, must take in the "class war" theory. Mr. Sharp does this, but with an equally faulty method of attack. Marx postulated the theory of class struggles, but largely because he saw the class struggle in modern society in operation. That struggle is no more the invention of Marx than the earth's motion around the sun is the invention of Copernicus. The struggle is patent to all who want to see it. Maybe the working class as a whole do not realise it in theory, but they are made to feel its effects in practice. The essential feature of the struggle is economic, the conflict which inevitably arises through the ownership of the means of life being the property of a class, with its consequent exploitation of those who, without such ownership, are compelled to toil for others in order to live. In its final analysis the struggle resolves itself into a class war in that each class consciously fights to retain or gain mastery of the means of life through political forces. The foregoing has been a factor of historical development throughout historic times, as may be gathered from a study of past history from the time of tribal communism. Here Marx was on "safe ground," for his theory of "social revolution."

But our critic falsifies this position in every way. He says that Marx "did not ask the workers to understand his economic doctrines, he did not even invite them very urgently to arise and throw off their economic bonds." Marvellous! For we have powerful recollections of Marx writing the slogan, "Workers of the world, unite," and likewise have noted the extreme care taken by Marx to make his theories rightly understood by the workers. But our opponent merely makes these points as a means of leading up to a further falsification of Marxism. The revolution is alleged to be meant by Marx as a "catastrophic event"—"as something which, when the time was ripe, would happen, as it were, in a single night." Why the night time should be chosen is not stated, but we presume that, like the celebrated "bogey man," "he likes the dark whose deeds are evil." We are told that Marx wanted the working class to "organise itself not in order to seize power by political methods, but in order to be able through its leaders to exercise power when power fell, miraculously, as it were, yet of historic necessity,

into its hands." Our immediate comment here is that Mr. Sharp must himself be suffering from an acute attack of "Russianitis." The Bolshevik bogey of revolution from nowhere must have appeared in his dreams and he has mistaken it for Marx's idea of social revolution. Thus does he say that, "a Marxian political party has always been something of a contradiction in terms." But we reply to the contrary. The organisation of the working class for the control of the political machinery is of the very essence of Marxism. Who was it who said that the working class must first of all acquire political supremacy? Marx. Who actually participated in the demand for the extension of the franchise where such had not yet been gained by the workers? Marx.

"The irony of history," says Engels, Marx's great co-worker, "turns everything upside down. We, the 'revolutionists,' the 'upsetters,' we thrive much better with legal than with illegal means in forcing an overthrow. The parties of order, as they call themselves, perish because of the legal conditions set up by themselves." This certainly sounds like Marxism insisting upon the political organisation of the working class. But to a Marx critic it may mean anything different from what it does actually mean.

It is significant that every attack upon the teachings of Marx should be based upon a fabrication of his writings. But the intellectual bankruptcy of the ruling class becomes more pronounced as time proceeds. They with their hirelings are driven from pillar to post to find a rational defence for their system. But the vital truths of Marxism are as a bulwark against the ablest of capital's apologists. Their periodic and spasmodic displays of "learning" in Marx criticism merely leave Marxians to humorously feel like repeating the Biblical incantation of old, "If these be your gods O Israel."

ROBERTUS.

* * * *

Corrections

[In the second part of this article, published in the September issue, two printer's errors were left uncorrected. On page 5, 23 lines from the bottom of the first column, "reflected" should be "rejected." The passage should therefore read: "Matter" was rejected by Berkely as 'an unintelligible figment devoid of any sensuous or imaginative content.'"]

On page 6, eight lines from the bottom of the first column, "material conception of history" should read "materialist conception of history."]

Out of Print

"WHY CAPITALISM WILL NOT COLLAPSE . . .

Our View of the Crisis.

Some Questions on Economics

WHEN IS A COMMODITY NOT A COMMODITY

The following questions have been put to us by a Canadian correspondent:—

(1) Are the goods with a price tag on them in the stores commodities? K. and N. say no. They say the retailers bought them as use values and they are not commodities until they are sold, at which moment, of course, they cease to be commodities and become use-values to the purchaser.

(2) Is a Ford car that is ready to leave the factory for a salesroom in some distant town a commodity?

(3) Is the wheat that is stored in the elevators all over Canada, some of which has been there for years and is deteriorating, is this wheat a commodity?

(4) Can we say that the stock of surplus goods on hand in every capitalist country that at present cannot find a buyer are surplus commodities?

(5) Has the unemployed person on relief, with no chance of finding a master, still got commodity labour-power to sell?

(6) Are they unemployed members of the working, or are they a parasitic class in society?

Reply.

A commodity is a useful article produced for sale. Two characteristics are, therefore, essential; it must be useful and it must contain value. This definition covers the mass of modern products.

A thing can be useful without being a commodity—air. A thing can be useful and produced without being a commodity—carrots grown in the garden for the use of the grower. A thing can be saleable without being a commodity—"personal honour" for example.

An article may not be produced as a commodity, yet may later take on a commodity character, by being put up for sale—a house or a piece of furniture made by a man for himself.

An article may be produced as a commodity and yet fail to fulfil its function—opium for customers who are not allowed to buy, or a tool that has become obsolete.

No definition, however, is absolute, covering every possible shade of a case—there are always instances on the border-line. For instance, a cartridge is sold to a purchaser, but bursts in the gun. It lost its useful character after the sale. It is a commodity yet not a commodity. The object of a definition should not be lost sight of, and that object is to help *understanding*.

In the light of the above remarks, let us now answer the questions.

(1) The articles exhibited in a store with a price attached are correctly described as com-

modities and were bought as such, hence Karl Marx opened his book, "Capital," with the words: "The wealth of those societies in which the capitalist mode of production prevails presents itself as an immense accumulation of commodities." Stores do not buy things as use-values, but as exchange values. It is true the *proof* that articles are commodities only comes when they are sold, but, in like manner, the *proof* that a loaf is food and not poison only comes after it has been eaten. Are we, therefore, to say that no articles of food are produced because they are only proved to be such after they have ceased to be? However, the illustration of "K and N" is self-destructive. If an article is not a commodity until it is sold neither is it a use-value—unless the owner, with uncharacteristic generosity, gives it away! Their only usefulness from the retailer's point of view is their *saleability*.

(2) In harmony with the foregoing, a Ford car ready to leave the factory for a saleroom is correctly referred to as a commodity—otherwise the expression "Commodity production" would be an illusion!

(3) Wheat stored in the elevators is also a commodity. If any of it eventually disintegrates or is destroyed, and hence does not find a buyer, then that part has failed to fulfill its function and thus was not a commodity; but who can differentiate which is which? A passenger steamer is built, launched, and delivered to the purchaser, but before it can carry a single passenger it catches fire and is reduced to ashes. Here is an instance of an article that was *sold* and yet, in fact, had no use-value whatever. In each case the labour spent in production was wasted and valueless.

(4) This is already answered above. The so-called surplus goods are correctly referred to as

BLOOMSBURY BRANCH

Lectures are given every Friday evening, at 8.30 p.m., at the

AMALGAMATED ENGINEERING UNION HALL,
39, Doughty Street (corner of Guildford St.), W.C.1

Oct. 6th. - - - - "The Evolution of the Drama." R. LORD.

Oct. 13th. - - - - "Rent, Interest and Profit." A. GOLDBERG.

Oct. 20th. - - - - "The Internationals, from Marx to Moscow." A. KOHN.

Oct. 27th. - - - - "Life and Times of Robt. Owen." S. STEWART.

Nov. 3rd. - - - - "Art under Socialism." D. RUSSELL.

Admission free. Questions and discussion.

commodities. With few exceptions they will ultimately find buyers. It should, perhaps, be pointed out that it is only reasonable to deal with normal features of a case. One can hardly anticipate the destruction of huge stocks of coffee becoming a normal feature of coffee production.

(5) When the unemployed person, still obtaining unemployed relief, who has no chance of ever finding a master, turns up, it will be time to answer that question. When a person becomes unemployable he ceases to be unemployed.

(6) There is only one parasitic class—the capitalist class, but there are plenty of people who "live on their wits."

GILMAC.

"SOCIALISM"

The Revised edition of our pamphlet 'Socialism' is now on sale.

48 pages, price 2d. (Post free 2½d.)

A full and clear statement of the case for Socialism

Send for a copy to the LITERATURE SECRETARY
42 Great Dover Street, S.E.1

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand. Secretary, T. J. Philips, P.O. Box 522, Auckland, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

S.P.G.B. PROPAGANDA MEETINGS

LONDON DISTRICT.

Sunday	...	Clapham Common, 6 p.m. Finsbury Park, 5.30 p.m. Prince of Wales, Harrow Road, W.9. 8 p.m. Victoria Park, 11.30 a.m. Cock Hotel, East Ham, 7.30 p.m. West Green Corner, Tottenham, 8 p.m. Whipple Cross, Leyton, 8 p.m. Brockwell Park, 3 p.m. & 6 p.m. Liverpool Street, Walworth, 11.30 a.m. Ridley Road, Dalston, E.8. 8 p.m. Highbury Corner, N.8, 8 p.m.
Monday	...	West Green Corner, Tottenham, 8 p.m. The Fountain, Forest Gate, 8 p.m. Ridley Road, Dalston, 8 p.m. "Salmon and Ball," Bethnal Green, 8 p.m. Rushcroft Road, Brixton, 7.30 p.m. Jolly Butcher's Hill, Wood Green, 8 p.m. Pretoria Avenue, High Street, Walthamstow, 8 p.m.
Wednesday	...	SHEFFIELD.
Thursday	...	Barker's Pool, 7.30 p.m.
Saturday	...	
Sundays	...	

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by R. H. TAYLOR & SON, LTD., 55/57, Banner Street, London, E.C.1. (T.U.)

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BIRKENHEAD.—Communications to H. Dawson, 26, Vulcan Street, Birkenhead, Cheshire.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Grays Inn, Road).

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (beginning 7th August) at 8 p.m., Pettit's Farm, Heathway. Sec. W. Waters, 396, Heathway Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Fri'ay, at 8 p.m. at 141, Bow Road, E.3.

ECCLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Naburn Street, Glasgow, C.5. Communications to M. Falconet at above address.

HACKNEY.—Branch meets Tuesday in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick, M.C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., G. H. Southgate, 64, Pickering Rd., Neepsend Branch meets alternate Mondays, 7.30 p.m. at Room 10, Friend's School, Hartshill.

SOUTHEND-ON-SEA.—Sec., J. Bird, 5, Wellington Avenue, Westcliff-on-Sea. Branch meets 1st and 3rd Wednesday in the month, at 8.30 p.m. at 6, Hermitage Road, Westcliff.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest St., Mile End. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m. 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 36, Rosebank Avenue, Sudbury Hill. Branch meets 2nd and 4th Fridays in month at 8p.m. at Cafe-Restaurant over 170, High Road, Wembley. Meeting on Friday, October 6th.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.

THE SOCIALIST STANDARD

The Official Organ of **THE SOCIALIST PARTY** of Great Britain.

No. 351. Vol. 30]

London, November, 1933

*Socialism . . .
cannot . . .
conquer the
world if it . . .
ceases to . . .
believe upon
itself alone .*

W. LIEBKNECHT

[Monthly, Twopence]

Who Dictates to the Dictators?

The rise to power of Hitler's party in Germany has again focussed attention on Fascism or dictatorship.

There are many who look upon dictatorship as a new departure in government, forgetting the dictatorships of ancient times and also those of pre-war capitalism. The government of Napoleon III in France during certain of its phases, and the suppression of the Social Democrats and Catholics by Bismarck are cases in point. In Liberal circles and in many of the alleged working class parties doubts have again arisen as to the practicability of political democracy. Many of the Liberals are quaking with fear at what appears to them to be its inevitable discarding, and the advent of dictatorship or

Fascism. They see the ever-widening circle of countries that have gone over. Russia, Italy, Jugoslavia, Poland, Hungary, and now Germany and Austria. In England Sir Oswald Mosley, a former Labourite, would be a Mussolini, although so far his voting strength is apparently not great. But there are many who re-

call that a short while ago Hitler's followers were few in number.

In the United States, the press reports a growing Fascist Movement, led by a former leader of the Ku Klux Klan, which at a meeting recently held in Philadelphia, attended by some thousands, decked out in all the trappings of the European advocates of Dictatorship, not even omitting the raised arm salute, stated their intention of seizing power.

From far-off Chile and Argentina, we have reports of a growing Fascist Movement and sentiment.

The response of the alleged working class parties takes on many forms.

In the United States, the reformist Rev. Norman Thomas, standard bearer and one of the chief spokesmen of the reformist Socialist Party of America, is warning his followers, by speech and written word, of the imminent possibility of a triumphant Fascism in the United States. He points to the American Legion and the remnants of the Ku Klux Klan as the possible nucleus for a Fascist Movement.

From the Communist International comes forth a Ukase to all of its faithful throughout the world to cement a "United Front" with the parties affiliated to the Second International, in order to wage a war against Fascism, though never neglecting to brand those with whom they are to unite as "Social Fascists."

What basis is there for the fears of the Liberals and the Labour Parties that Dictatorship is to replace Political Democracy the whole world over?

Is Fascism or Dictatorship a possibility in highly developed Capitalist nations like England and the United States?

It is first of all necessary to examine the way in which the term dictatorship is used in its application to the political systems of Germany, Italy, Russia and other countries, for its use in more than one sense is a cause of confusion. Sometimes the term dictatorship is used in the sense of a minority which governs against the wishes of, or at any rate without formally consulting, the majority of the population. At other times it is used to mean the suppression of minorities by a government which owes its election to the votes of the majority. When we examine Russia, Italy and Germany, we find that in each case the dictatorship owed its position originally to the support of the majority of the voters. The Bolsheviks were unable to overthrow Kerensky until they had been voted into control of the principal Soviets. Mussolini was placed in power by those whom the Italian electorate had voted into control of the machinery of government. Hitler and his party obtained 51 per cent. of the votes cast in the last election. In each of these three countries the dictatorships in their general policy, including the violent suppression of the opposition minorities, can count upon the support or the indifference of the majority. If, therefore, the term dictatorship were used only in the sense of usurpation of power by the representatives of a minority, it could not be applied to Italy, Russia and Germany.

The other use of the word still remains applicable to these countries, for in them—unlike political democracies—the minorities have no legal standing to organise or carry on agitation for a change of government or change of social system, and individuals and minorities are subjected to persecution which varies from something mild up to savage terrorism.

So-called "Dictatorships" are the outgrowth of definite material conditions. With the disappearance of these conditions "Dictatorships" will cease.

In Spain, during the last years of King Alfonso's reign, a "Dictatorship" was set up, headed by Primo De Rivera. It was the last attempt and the dying gesture of a semi-feudal class who, with the assistance of the Church, sought to stave off various groups who were discontented, among which was the peasantry clamouring for the partitioning of the large estates. The Capitalists were aligning with the peasants for the seizure of political power. The remnants of semi-feudalism were an obstacle to the development of Spanish Capitalism. Spain had remained neutral during the World War. Flooded with orders from the belligerent nations, she was carried well on the road to industrial development. The alliance of workers, the capitalists and peasants finally drove the dictatorship of the Dons and clericals from power. This is one form of dictatorship, used in the endeavour to prolong the power of a dying economic group.

One of the most important causes of the "dictatorships" in Italy, Jugo-Slavia and Poland was the breaking up of the big estates, and the general industrial impetus and growth resulting from the war. In order that the new ruling class might be firmly entrenched, and also in order to sweep away the semi-feudal debris, governments were set up which would brook no interference from minorities, whether representing the former ruling class, the working class, or hostile national minorities brought within the frontiers as a result of conquest in the war.

The peasantry constituting the majority were not as yet experienced in the running of the governmental machinery. The capitalists being in the minority, envisioned the peasantry running amok and seizing political power for themselves. But the peasants, elated with their new possessions and changed economic and social status, are for the time being content to permit the capitalists to retain political sway, the fear of counter revolution on the part of the former landowners being a contributing factor. In outlook the peasants are not far removed from the capitalists. It is not difficult for them to acquiesce in the rule of the capitalists, and thus another form of "dictatorship" arises. A temporary condition resulting from the changed social status of the peasantry, coupled with the expansion of the industrial capitalists, and a politically immature peasantry, indifferent as to who governs, so long as they are permitted to enjoy their newly-acquired possessions.

Numerous factors enter into the support of Hitler by a majority of the German population. Patriotism, the Reparations question, unemployment, fear of the Communists, extravagant promises of reforms for the workers and "Socialism in our time," and promises of help for the peasants; all these things were cleverly utilised by the Nazis to gain a majority. One factor was the support given to Hitler by big landowners who feared the land reforms which the Catholic Centre Party under Bruening was promising to its peasant supporters, who wanted the big estates broken up. Many of Hitler's forces received their training on the estates of big landowners, who also provided some financial assistance. Realising their danger these landowners hoped that they might make use of Hitler to fob off the peasants, even although vast numbers of the latter are among Hitler's keenest supporters. Now that Hitler is in the saddle he has stated that he is opposed to his own earlier promises to break up the big estates, but it still remains to be seen whether the pressure from his own supporters will be sufficiently strong to compel him to move some way in that direction.

In one of its aspects the German situation resembles the Spanish dictatorship in that a former agrarian ruling class supports it in the hope that it will protect their interests.

We can also find a resemblance to the situation in 1848. The German capitalists, in revolt against the feudal aristocratic ruling class, were on the verge of success, but turned and retraced their steps when they saw their allies, the workers, were not content merely to fight for capitalism, but were disposed to give the revolt something of a working class character. So the capitalists allowed the old ruling class to retain its position. The German capitalists in and since 1918 have shown the same characteristics. The awe with which they regarded the Junkers, particularly their representative Marshal von Hindenburg, would not permit them or their allies, the Social Democrats, to carry the 1918 upheaval beyond a certain stage. Once again, as in 1848, they sought comfort by compromising with their "social betters," the German Junkers.

As for the future of "dictatorships," one need not be a prophet to realise that they are but a temporary condition. The increase in the number of workers in the agrarian nations in which "dictatorships" exist, will necessitate the introduction of parliamentary and democratic forms of governments. This applies also to nations like Germany, where a large minority of the population are still dependent upon peasant farming for their existence.

Where capitalist production is highly developed, with the workers in the majority, the need for a fully-developed system of representative government becomes not just a sop to the workers, but a necessity for capitalism in the long run. To clamp down the lid means unrest and riots and interferes too much with the orderly running of capitalism.

The fears of the Norman Thomas's are not well grounded. Highly-developed industrial nations like the United States, England, etc., do not provide fertile ground for the establishment of "dictatorship." Though we recognise the possibility of the establishment of a "form of government minus its democratic features," where the rights of minorities may be curtailed, this could only be done if the majority approve.

The danger lies in the noxious Social Reform and "Great Man" theories expounded by alleged working class parties, preparing the way for the workers' acceptance of a repressive form of government. Let us not forget that practically since the formation of the Social Democratic Party in Germany the workers have been led to believe that the way out was through the medium of Social Reforms. With this outlook it was a simple matter for Hitler to win over the masses, with his large and extravagant list of social reforms, offering more in the way of "something now" than the Social Democrats, who were, moreover, discredited by having helped to administer capitalism for 14 years.

To meet the possibility of a "dictatorship," there remains for us the great task of combating the Thomases and the alleged workers' organisations they represent.

The so-called Socialist Party of America having carried on thirty-five years of propaganda for social reform, has helped to pave the way for an acceptance on the part of the workers of any form of government, repressive or otherwise, that promises still more reforms.

Socialists can only continue to point out that reforms of capitalism, whether enacted by Labour parties or by so-called dictators, cannot solve the problem, for the emancipation of the workers can only be achieved by the workers themselves.

We seek the abolition of capitalism whether its political system is monarchist or republican, fascist or democratic.

SAMO.
Workers Socialist Party (U.S.A.)

The Month's Quotation

The quotation in the panel on the front page this month is from W. Liebknecht's "No Compromise: No Political Trading" (published by Kerr & Co. in one volume with the Communist Manifesto. Page 64).

The quotation in the September issue, "The great duty of the Proletariat is to conquer the political power," was taken from the inaugural address to the First International, written by Marx in 1864. (By an oversight we omitted the word "the" from between "conquer" and "political.") Part of the inaugural address, including the passage quoted, was re-affirmed as a resolution at the Hague Conference of the International in 1872. (See Ryazanov's "Karl Marx and Friedrich Engels," page 196, published by Martin Lawrence, Ltd.)

The quotation in the October issue: "The time is past for revolutions carried through by small minorities at the head of unconscious masses," was taken from F. Engels' preface to Marx's "Class Struggles in France," published by the New York Labour News Co. The preface is reproduced as a pamphlet under the title, "The Revolutionary Act." The passage quoted appears on page 34 of the pamphlet.

ED. COMM.

PARTY SPEAKERS

A Meeting of all Party Propagandists will be held at Head Office, on Saturday, 11th November, at 7 p.m. Attendance urgently requested. ROBERTUS
(Party Organiser)

A TEA & SOCIAL

will be held at
Head Office, 42 Great Dover Street
on Saturday, November 4th, at 6 p.m.

A DANCE

will be held on Saturday, November 18th
at the
Express Dairy, Leicester Square
(Opposite the Alhambra)
Tickets from Head Office.

Interesting Questions

A reader who signs himself "Puzzled Elementary Socialist" puts a series of questions about the S.P.G.B., Marx, the Communist Party, etc.

MARX AND SOCIALISM.

The Communists claim they are the only Marxian party, and advocate the violent overthrow of the present system of society. The S.P.G.B. claim they are the only true Marxists, and advocate the abolition of the extant system by democratic means.

Can you give instances where Marx states that democratic means is the only way out in contradistinction to the claim made by the Communists.

Let us first make clear the attitude of the S.P.G.B. to Marx. We do not say that whatever Marx said on a subject was right and the last word, and that, therefore, if we wish to discover correct principles to guide our actions our task consists simply of finding out what Marx said.

Socialist principles are not something invented by Marx. The idea of Socialism is a product of capitalism. What Marx did was to make a deep study of the working of capitalism and of the laws of social development. The final justification for our actions is that they are in keeping with the facts of the present situation. We value the work of Marx because his unique knowledge and experience of this subject help us to weigh up the situation in which we find ourselves.

The S.P.G.B.'s attitude on the question of the method of achieving Socialism is based on the nature of the problem itself. We advocate achieving Socialism by first obtaining control of the machinery of Government and then using that control to overthrow the existing social system. We advocate that method because there is no other method.

Marx put this as follows in the Inaugural Address of the International, 1864:—

Since the owners of land and capital are always using their political privileges to protect and perpetuate their economic monopolies and to enslave labour, the great duty of the proletariat is to conquer the political power. (See "Marx and Engels," by Riazanov. Published by Martin Lawrence. P.196.)

With regard to the vote as the method of obtaining political power, Marx wrote:—

Universal suffrage is the equivalent for political power for the working-class of England, where the proletariat form the large majority of the population, where, in a long, though underground civil war, it has gained a clear consciousness of its position as a class, and where even the rural districts know no longer any peasants, but landlords, industrial capitalists (farmers) and hired labourers. ("The Chartist Movement," by K. Marx. Printed in the *New York Tribune*, August 25th, 1852; reprinted in *Labour Monthly*, December, 1929.)

Our correspondent, in his first question, asks us to give instances of Marx having advocated democratic means and opposed violence. This way of putting the question implies something which, in fact, neither Marx nor the S.P.G.B. would maintain. We do not say that control of the

machinery of Government and its use to overthrow the existing social system will necessarily exclude the possibility of violence. That will rest with the anti-Socialist minority. What we do say is that there is no way of achieving Socialism except by first obtaining political power, that is, obtaining control of the machinery of Government, including the armed forces. Given such control by the Socialist majority, then any attempts at violent resistance on the part of the capitalist minority can be dealt with effectively.

THE ARMED FORCES.

In paragraph six of your declaration of principles you seem to infer that the armed forces are a mass of inanimate matter which can be moved anywhere, and used in any way that the Capitalist or Socialist Government may think fit, irrespective of what the armed forces may wish. The armed forces have powers, if limited, like the majority of workers—to think and reason, and therefore the possibility is not precluded that they may rebel against a Socialist Government and the masses which they represent. What would be the attitude of the S.P.G.B. (taking it for granted they were in a majority in Parliament) in the event of this happening?

The paragraph of our Declaration of Principles to which our correspondent refers is as follows:—

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege aristocratic and plutocratic.

Our correspondent says that in this paragraph the S.P.G.B. "seem to infer that the armed forces are a mass of inanimate matter which can be moved anywhere and used in any way that the Capitalist or Socialist Government may think fit, irrespective of what the armed forces may wish."

Actually, the paragraph in question does not express any view on the direction in which the sympathies of the armed forces might lie, but if that aspect is taken into account it would lead us to precisely the opposite conclusion from that arrived at by our correspondent.

At present the capitalists who control the machinery of Government go to considerable trouble to prevent the armed forces (and the Civil Service and Post Office staffs) from entering actively into political controversies. In greater or less degree, according to the rank and the nature of the work done, the Government prefers its civil and military forces to be machine-like and not actively participating in politics. To the extent that this is done, the armed and civil forces approximate to the position of rendering automatic and unthinking obedience to those in lawful authority over them. If this continues, then a Socialist majority, when it gains control of the

November, 1933

THE SOCIALIST STANDARD

37

machinery of Government, will be able to count on that measure of blind obedience.

Our correspondent wants us to consider what would happen if the forces ceased to render blind obedience, but instead of taking the natural and likely possibility, he takes the incredible one. Instead of assuming that when a majority of the civil population have become convinced Socialists, part, at least, of the members of the armed forces will have sympathies in the same direction, he assumes the reverse, i.e., that the growth of Socialism among the workers outside the armed forces will be accompanied by growing hostility towards Socialism among the workers in the armed forces.

Holding that view, it is up to our correspondent to give some reason for it. We know of none.

SOCIALISM AND VIOLENCE.

When you state that the forces may be converted into an agent of emancipation, it presupposes that violent conflict will take place between the Capitalist class and its hirelings, and the workers, yet you condemn the Communist advocacy of force.

Our correspondent says that our aim of converting the machinery of Government, including the armed forces, into an instrument of emancipation, "presupposes that violent conflict will take place between the capitalist class and its hirelings and the workers. . . ."

Of course it presupposes nothing of the kind. As is pointed out in answer to question (1), the workers must gain control of the machinery of Government, including the armed forces, because only by such control will they have the power to deal with any action taken by the capitalist minority, including possible violent action. Violent conflict is not inevitable; on the contrary, it is improbable.

Having supposed something without any evidence, our correspondent then ends up with the statement: "Yet you condemn the Communist advocacy of force."

Our correspondent completely misunderstands the position taken up by the S.P.G.B. He imagines that when we denounce the Communists for sending workers "armed" with knuckle-dusters to fight soldiery armed with rifles, machine-guns, tanks, etc., that it is because we are opposed to the use of force. We are not opposed to the use of force. It is precisely because force is so important that we say the workers must gain control of the machinery of Government, including the armed forces.

We denounce the Communist advocacy of sending unarmed workers against the armed forces because it is dangerous lunacy.

ILLEGAL ACTIVITY.

Will you state with clarity what would be the line taken up in the event of the S.P.G.B. being declared

illegal and forced underground. Surely, it would be "undemocratic" for them to do anything.

Our correspondent asks what the S.P.G.B. would do if declared illegal and forced underground. "Surely," he says, "it would be 'undemocratic' for them to do anything."

If our correspondent would face realities, instead of imagining that they can be disposed of by efforts of will, he would know that any minority forced underground by those who control the machinery of Government has no alternative but to bow to superior force. When Kerensky's Government, in the summer of 1917, decided to suppress the legal activities of the Bolshevik party, what did Lenin do? Did he say: "We do not believe in democracy, therefore we will refuse to take any notice?" Of course he did not do anything so silly. Knowing that Kerensky had the majority of workers with him, and knowing that the Government had power to make its decision effective, Lenin bowed to superior force and went into hiding.

The inability of a minority to resist or overthrow the Government which controls the armed forces and has the support of the majority, is not a question of believing or not believing in democracy, but a question of necessity. The German Communists are helpless in face of Hitler, not because of their beliefs (in fact, of course, they reject democracy), but because he controls the armed forces, etc., and has the majority behind him.

It is important to bear in mind that attempts at illegal activity only become possible and fruitful when the majority are becoming dissatisfied with the Government and are prepared to protect and hide the illegal activities against the authorities. So long as the majority actively support the Government and help them to root out illegal activities, such activities, on any appreciable scale, are impossible and useless.

SOCIALISM AND MAJORITIES.

Again, may I ask what the S.P.G.B. would do if they secured a majority in Parliament, and yet, at the same time, represented a minority of the people.

Our correspondent asks us what the S.P.G.B. would do if there were a Parliamentary majority for Socialism, but not a majority of Socialists among the people.

He does not, however, tell us how a party whose candidates stand for Socialism, and nothing else, and who are therefore opposed by all non-Socialists, including all reformists, can become a majority in Parliament without there being a majority among the electors.

In any event, the answer should be quite obvious. The S.P.G.B. recognises that Socialism cannot be forced by a minority or an unwilling or apathetic majority. The S.P.G.B. does not hold the Communist doctrine that a minority in control of the machinery of Government can intro-

duce Socialism. The failure of Labour Governments and of the Bolsheviks supports our case.

* * *

PARLIAMENT AND THE CONSTITUTION.

What would the S.P.G.B. do in the event of them obtaining a majority in Parliament and Parliament was suspended by a Royal decree or some such trick by the Capitalist class?

Our correspondent asks us to deal with the hypothetical situation of a capitalist minority attempting to suspend Parliament *after* they had allowed an election to be held in which Socialists obtained a majority of seats. If the capitalists were so obliging as to wait until after the election before making the attempt to suspend Parliament, they would, of course, be weakening their own position and strengthening that of the Socialist majority. In our reply we have assumed the less improbable situation of the capitalist minority making their attempt without waiting for elections to take place which would demonstrate their (the capitalists') minority position. If we assumed the other hypothesis, then the position of the Socialist majority would be even stronger than we have stated it to be.

This question has often been answered in the SOCIALIST STANDARD. In essence, it boils down to this: "Can a capitalist minority which happens to have control of the machinery of Government continue indefinitely to govern and to make capitalism function, in face of the organised opposition of a majority of Socialists?" If that were possible, then, obviously, Socialism would be for ever impossible. If such a capitalist minority could hold its position indefinitely, then it would be a sheer waste of time to consider Socialism at all or the method of achieving it.

However, it is not possible for a minority to maintain its hold in those circumstances. Faced with the hostility of a majority of workers (including, of course, workers in the civil and armed forces, as well as workers in productive and distributive occupations), the capitalist minority would be unable, in the long run, to enforce its commands and the workers would be able to dislocate production and transport. In such circumstances the capitalists would themselves be divided. Not all of them would be disposed to provoke chaotic conditions in an heroic last-ditch struggle.

A look at the way in which Governments do behave in face of a hostile majority under existing conditions will show how impossible it is for any minority to retain cohesion and to act decisively when it is conscious of being actively opposed by the majority.

A few years ago, for example, the King of Spain and his immediate supporters, in spite of having organised a so-called military dictatorship, lost their nerve and fled the country merely because

some municipal elections had gone against their candidates.

In Russia, in 1917, we saw Kerensky throw up the sponge as soon as he saw the Bolsheviks voted into control of the chief Soviets.

We invite our correspondent to name a single instance of a capitalist minority managing to maintain its hold on the machinery of Government for any length of time in face of the organised and united opposition of a majority of the population. We know of no such instance.

We would then ask him to consider how much more clear and certain the outcome would be if the organised and united opposition is composed of convinced Socialists who have gained their majority in face of a long drawn-out struggle with all the defenders of capitalism. So far, of course, such a majority of Socialists has not existed at any time or in any country.

* * *

CAPITALISM AND EDUCATION.

Do you not agree that a Capitalist class education in all its aspects is super-imposed upon the mass of people which makes it impossible for the workers with their environment, religion, and stunted outlook on social and economic problems, together with the misleading statements and programmes handed to them by alleged Socialist parties, to ever attain an understanding of Socialism through Socialist education until their material conditions are first changed.

Our correspondent asks us to agree that capitalist control of education "makes it impossible for the workers . . . to ever attain an understanding of Socialism through Socialist education until their material conditions are first changed."

It appears from his reference to the impossibility of the workers understanding Socialism "until their material conditions are first changed," that he holds the view that the workers cannot become Socialists while surrounded by capitalist economic conditions, but only when surrounded by Socialist economic conditions. If that were true, the position would, indeed, be hopeless. Capitalism cannot be abolished until the workers become Socialists, and—according to this view—the workers cannot become Socialist until after capitalism is abolished—a vicious circle from which there is no escape.

Fortunately, it is not true. The capitalists and their agents, as well as many people who, unintentionally, confuse the issue by putting forward unsound theories wrongly labelled Socialism, make the task of spreading Socialist knowledge very difficult, but, although difficult, it is not impossible. There are a minority of workers who have attained to a clear understanding of Socialist principles in spite of capitalist and confusionist propaganda. What this minority have done the majority can and will do. In some respects, too, the task becomes easier. The impossibility of making capitalism work satisfactorily becomes

more and more obvious, and it is to that extent easier to get the workers to take a sympathetic interest in the Socialist message.

After all, our correspondent is a case in point. Although his description of himself as a "puzzled elementary Socialist" is not accurate, since it is obvious that he has swallowed much confusionist doctrine under the impression that it is Socialist, he has, at least, succeeded, in spite of capitalist education and capitalist material conditions, in reaching the point of beginning to be interested in Socialism.

ED. COMM.

One Thousand Shillings Wanted

Fifty Pounds is needed. If 1,000 readers each send one shilling the problem will be solved. The money is required before Christmas, so send your donation without delay to the Treasurer, 42, Great Dover Street, S.E.1. Acknowledgment will be made in the SOCIALIST STANDARD.

This special appeal for funds is not the result of apathy among the members of the Party, or of declining support by sympathisers. Just the reverse. It is the outcome of a general increase of activities. The circulation of the SOCIALIST STANDARD has increased during the past two years, but the larger page is costing us more money. The increased circulation brings us the support of a wider circle of sympathisers, but the financial support obtained from them has been more than offset by an advertising campaign carried on in daily and weekly newspapers. While the advertising is on a moderate scale its cost is comparatively heavy, although justified by results. Our sales of pamphlets have been well maintained, but the three pamphlets published or republished last year and this have involved a very heavy outlay.

More propaganda has been carried on this year than in previous years, but this again has called for greater expenditure.

In short, we need money because we have had a very good record of activities during the year. We intend to make 1934 a better year than 1933, and plans are in hand for new pamphlets. If every reader who is able to do so will send in a donation without delay, the immediate difficulties of unpaid bills will be overcome and plans for 1934 can go forward without the fear of landing ourselves in extra financial difficulties.

The Socialist Party of Great Britain AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

HEAD OFFICE

Meetings are held at the

HEAD OFFICE, 42, GREAT DOVER STREET, S.E.1,
every Sunday evening at 8.30 p.m.

November 5th	-	'Revolutionary Policy and Principles.'
	E. LAKE.	
" 12th	-	" Marx on Parliament."
" 19th	-	S. GOLDSTEIN. " Socialism and Science."
" 26th	-	N. ISBITSKY. " Life and Teaching of Karl Marx."
	S. CASH.	

Admission free. Non-members invited.
Questions and discussion.

BLOOMSBURY BRANCH

Lectures are given every Friday evening, at 8.30 p.m., at the AMALGAMATED ENGINEERING UNION HALL, 39, Doughty Street (corner of Guildford St.), W.C.1

November 3rd	-	" Art under Capitalism."
	D. RUSSELL.	
" 10th	-	" Social Influences in Modern Music."
	MOSES BARITZ.	
" 17th	-	" General Strikes "
	G. CAMERON.	
" 24th	-	" W. Morris and Socialism."
	E. KERSLEY.	

December 1st - " Socialism and the State." A. TURNER.
Admission free. Questions and discussion.

HACKNEY BRANCH

Lecture-Classes will be held at THE OLD GRAVEL PIT HALL, VALLETTE STREET, E.9, on Friday evenings, 3rd, 10th and 17th November, at 8 p.m., on

"The Basic Principles of Marxism."

Non-Members invited. Admission free.

LEYTON

Lectures are being given on Sunday evenings at the TRADES AND LABOUR HALL, GROVE HOUSE, HIGH ROAD, LEYTON.

November 8th	-	" Morality and Socialism."
	S. STEWART.	
" 12th	-	" Marx and Darwin "
	E. LAKE.	
" 19th	-	" Socialism and Religion."
	ROBERTUS.	
" 26th	-	" Socialism and the State."
	A. TURNER.	

December 2nd - " Derelicts of Capitalism" D. RUSSELL.
Commence at 8 p.m. Admission free.
Questions and Discussion. Non-Members invited.

THE
SOCIALIST STANDARD



NOVEMBER,

1938

OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

The War Scare

Tragic Farce at Geneva and Moscow.

We do not share the alarmist views held in certain quarters about the imminence of a European or World War. Whether Hitler and other European politicians use warlike phrases or not is of little immediate importance in this connection. The fact is that the German ruling class are not in a position to wage war at present. Besides, they have by no means exhausted the diplomatic and other methods of gaining concessions from the rest of the powers. Long before Hitler's party came into power the idea was put forward in German capitalist circles that the threat or the actuality of a Nazi Government or coalition could be used as a means of forcing the war-time Allies to restore lost territory to Germany, agree to bigger German armed forces, and cut down the burden of Germany's foreign debts. Already Germany has announced that the interest on many bonds held abroad is being cut by 25 per cent. and it seems probable that the bondholders will have to accept this. What success will ultimately attend this scheme of using the Nazi movement as a bogey to frighten the foreign Governments remains to be seen. It is, however, quite obvious that the German decision to leave the League of Nations and the Disarmament Conference is only the first move in the game.

That the game may not, and probably will not, turn out as the chief players anticipate is true, and also that the end may be war. But the end is not yet.

Most of the comments in the English Press and in the speeches of politicians affect horror at the action of Germany and its leaders. But on the ground common to all the defenders of capitalism in the various nations, Hitler's action has full justification. The Versailles Peace Treaty, under which

Germany's armed forces were reduced to the minimum considered necessary to protect capitalism internally, pledged the Allies definitely and explicitly to disarm themselves. That pledge has not been kept and none of the political leaders who made it ever believed that it would be kept. That is why the Russian Government could call their bluff by offering to disarm completely if and when the others would do the same. That is why Hitler can now say that Germany does not want big armaments, only equality with the Allied Governments, either universal disarmament or armaments all round.

Not one of the powers dare dispense with armaments; and that not solely because of their desire to defend frontiers and interests abroad, but because the ruling class everywhere dare not face its own dispossessed class without the protection of armed forces. That is the dominating fact in Germany as it is in the U.S.A., Russia, Britain, Austria and the rest, and it is the one thing nobody ever mentions at disarmament conferences. Hence the unreality of it all. These representatives of capitalism gather together in Geneva to profess their mutually peaceable inclinations, to swear their undying hatred of war, and to reiterate year after year that they are all agreed on speedy disarmament. Every kind of formula is debated and accepted, every kind of scheme for disarmament is applied, and the one thing that never happens is disarmament.

The Swiss, to whom feeding and entertaining League of Nations delegates has become a considerable national industry, have just signalled their confidence in the League by a big increase in their army.

If Geneva is a tragic farce, what of Moscow, home of the Third (Communist) International? The Russian Government is in the hands of the inner circle of the Russian Communist Party, who also have complete control over the Third International. The Communist International rarely misses an opportunity of pointing the finger of scorn at the League of Nations for its callous hypocrisy. It also preaches working class revolt against capitalism at home and working class unity on the international field, but at the same time the Russian Government goes on maintaining its friendly relations with these capitalist Governments. A further pact of friendship has just been signed between Russia and Mussolini. Russian cavalry rode side by side with Turkish and Polish troops at the great Polish military review organised by Pilsudski as a warning to Hitler. Radek for the Russian Government toured Polish frontier fortifications, as a guest of honour, and a die-hard Conservative paper which made adverse comments on him was obligingly suppressed by the Polish Dictator Pilsudski. Stalin sent the latter, as a mark of personal esteem and the friendship of the two countries, the dossier relating to Pilsudski's pre-war seditious activities found in the Czarist archives. The French Air Minister made an

official visit by air to Moscow and was received with full honours. A news-film shown all over England gave us the laughable picture of the Soviet Red Army standing as guard of honour to receive the representative of French capitalism, while bands played the Marseillaise, and the French Tricolour waved overhead. The Russian Air Force is reported to be sending a return delegation to Paris. In mutual hostility to Japan, Russia is now cultivating friendly relations with America, whilst the American authorities are brutally crushing strikes.

The farcical aspects of Geneva and Moscow keep each other company right down to the last detail. The Fascist countries, which have always looked rather doubtfully at the League of Nations, regarding it as a mere cloak for the great powers, are reported to be setting up an international organisation of their own, dubbed by the *Manchester Guardian* (October 20th) "The Fourth International." Simultaneously Trotsky, the Winston Churchill of the Communist International announces that he is through with that body and is also about to launch a "Fourth International" to house the Trotskyite parties and lost sheep like the I.L.P.

This is the "brave new world" promised to us 15 years ago by the capitalist politicians on the one hand and the Communists on the other. From New York to Tokio, and from Moscow to Geneva, it is the same old world of capitalist rivalries, diplomatic intrigue and militaristic display, with the working class as pawns in the hands of strutting politicians. Unless we end it, it will sooner or later fling us into another war.

Words and Men.

(Continued from last issue)

Here it is necessary to deviate from the path of literature proper to recall certain landmarks of this revolutionary epoch.

In England the feudal barons were engaged in the internecine squabbles called Wars of the Roses (1455-1485), which represent the death agony of the feudal aristocracy and ended by exterminating or impoverishing all the leading barons and establishing, with the Tudor Henry VII, a dynasty embodying the alliance between the central monarchy and the burgher guilds.

Gutenberg in 1445 had perfected his printing press, a copy of which was introduced into England by Caxton in 1477. This invention was of inestimable value to literature; it meant that books became comparatively cheap and ceased to be an aristocratic or priestly monopoly; the spread of knowledge to all classes was now possible.

Following a period of keen competition among the various Mediterranean traders came the siege and capture of Constantinople by the Turks in 1453. This finally blocked the most important route to India and the Far East, whence came not merely luxury silks and ornaments, but the gold and silver required by commercial society and the condiments and spices vitally necessary at a time when there was no efficient means of pre-

**THE SOCIALIST PARTY
OF GREAT BRITAIN**

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

**THE SOCIALIST PARTY of Great Britain
HOLDS—**

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be brought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

serving meat. Supreme incentive was thus given to the attempts at finding a new route to the East; Prince Henry in 1460, Diaz in 1486 and Da Gama in 1498 coasted round Africa until the way to India lay

open; Columbus in 1492 and the Cabots in 1497 attempted a westward passage and came across America; Amerigo Vespucci crossed the South Atlantic in 1500 and in 1520 Magellan followed him, rounded Cape Horn and ended by circumnavigating the globe. Gold and silver were at first obtained by robbing or taxing the natives; later rich deposits were discovered in Bolivia and Mexico in the first quarter of the sixteenth century. The increase in navigation led to far-reaching astronomical investigation, and soon all ideas of the nature of the universe had been entirely revolutionised.

This vigorous stir and bustle of adventuring after new worlds immeasurably extended the bounds of literature, enriching its vocabulary and multiplying its subjects. Moreover, Constantinople had for centuries been the cultural descendant of classical antiquity, the centre of European learning. The invasion of their city by the "infidel" Turks sent hundreds of scholars with their scientific instruments and ancient manuscripts into Western Europe, particularly Italy and France, where their command of philosophy, literature, art and science received unstinted appreciation from an expanding society athirst for every aspect of knowledge.

In England the Renaissance was assisted by the closing of the monasteries, which left numbers of men with no ideas of living but the sale of their ability to read and write.

By the opening of the sixteenth century merchant capitalism had taken root all over Western Europe; it brought a period of strong monarchies, increased leisure, comparative peace, and enormous intellectual activity of every kind, and notably a rapid growth of diverse and elaborate forms of art: painting, engraving, sculpture, gold and silver work, wood-carving, architecture, poetry, philosophical works, satire, essays, "Utopias," stories of adventure real and imagined. This time of prolific expression is called the Re-Birth or Renaissance. In it we see the enterprise, vitality and optimism of the new and lively ruling class finding an immediate and abundant echo in every art form as yet known to man.

The Renaissance in literature is represented in England by poets like Thomas Wyatt and, later, Spenser and Philip Sidney, essayists or philosophers like Thomas More, Bacon and Thomas Browne, and playwrights like Marlowe, Jonson and Shakespeare. In France it early found complete and peerless expression in François Rabelais, who more than any other one man is the prototype of the fresh order of society. His first work, *Gargantua*, appeared in 1532, twelve years after the first journey round the world; he produced three others before his death in 1552. The key-note of them all is an ardent devotion to "universal science" and a boundless love of life. Life is good; the world is good; mankind must have every freedom to develop fully in all

directions; original sin is absurd, metaphysical speculation of any kind is absurd; let us collect concrete facts about this amazing universe and approach its most diverse aspects with unquenchable curiosity. The bourgeois class, as it gathered its strength to throw off the shackles of feudalism, was grasping at the whole world, not at mere abstractions and forms, but at life itself; and that is what Rabelais offers. He cares nothing for beauty or morality, and hardship and suffering are but further manifestations of the abundant variety of life. This was, of course, a highly convenient philosophy for a society engaged in establishing a new form of the slave trade. His terrific command of words reflects the fertility of his brain, his gigantic optimism the vision of a new world both physical and intellectual.

He was followed in France by the sceptical individualist Montaigne, whose use of the essay-form was coincident with the growth of the physical sciences, especially astronomy, mechanics and hydrostatics, whose insistence on personal liberty was typical of a society desirous of unlimited free competition, but whose pessimism showed that the high hopes of limitless expansion for mankind held at the time of Rabelais were not being fulfilled. This streak of pessimism is to run through all French literature so long as the anachronisms of feudal organisation remain to dam the tide of social change.

Some seventy years after Rabelais comes Shakespeare (1564-1616). The bourgeois class in England had been able to develop fairly freely, and English buccaneers were supreme on the high seas; the landowners and merchants had achieved a temporary compromise, and society as a whole presented a stable aspect. Individualism by now was taken for granted, and literature was becoming more and more subjective. Moreover, the anti-Catholic feeling had its effect on literature; men studied languages in order to criticise Church texts, and history in order to score off Church legends. Shakespeare is always subjective, even in natural description; his vocabulary is much influenced by foreign words and his histories formed part of a complete cycle of English and ancient history; Marlowe's *Edward II* belonged to the same cycle. Shakespeare's subject matter is generally trivial or melodramatic; he is invariably concerned with emotion rather than thought; such moralising as he offers is complacent, never stimulating. But he is the most brilliant master of language yet seen: and there lies his chief importance. His fluent, supple, incisive metaphors and startlingly virile similes rendered an incalculable service to English speech.

Contemporary with Shakespeare were a number of lyric poets such as Fletcher, Drummond, Campion and Drayton, most of whose verse celebrates the ups and downs of romantic love. This form of literature is frequent in leisured society. But the Elizabethan lyrics are distinguished by their diversity of form and metaphor, their elegant language. At this

time also began the steady intrusion of introspective religion into poetry. The merchant capitalists were not altogether satisfied with the Elizabethan compromise, and their dissatisfaction found some outlet, prior to open revolt under Cromwell, in an ever sterner and more uncompromising Protestantism. The current interest in the problem of religion and the State was bound to influence poetry as well as philosophy; some of John Donne's and all George Herbert's work exemplified the tendency, but its political aspect is most greatly voiced by Milton. His deep impatience of authority and vast self-confidence ("to justify the ways of God to man"), together with his bold experiments in metre and rhythm (*Lycidas* is written in free-verse) are all clearly symptomatic of a rebellious and arrogant movement in society. It is impossible to read *Paradise Lost* or *Samson Agonistes* without envisaging the old rebel, undaunted in spite of defeat and difficulty.

STEWART.

(To be continued.)

Socialism and Charity.

The correspondent whose letter on this subject was replied to in the August issue writes again:

At least I like to give advocates of Socialism credit for sincerity, but, really, the reply to my comments does not impress me as being very heartfelt. The vague reference to the conditions of Capitalist employment and Capitalist Government devices as being the direct cause of thriftlessness and intemperance is without weight or conviction. It may be that excessive hours of laborious work, the misery of unemployment and all such evils, induces, in cases, habits of intemperance, but my reference is directed to that section of labour amply paid and comfortably circumstanced, whose weekly expenditure represents but a poor standard of economy, for, with reasonable care and judicious handling of their wages, provision for contingencies could easily be made. Innumerable instances of this desirable state of affairs can be furnished. It is quite unfair to say that charitable effort is frequently prompted by people who would make no attempt to prevent the need of charity. Workers in this ideal field are represented by humane and thoughtful employers of labour with every sense of responsibility to and regard for their employees. Woe betide the community if the benevolent-minded section of employers of labour, styled "Capitalists" by you, should cease to be imbued with a love and regard for their fellow men to the extent of refraining to help by continuous and devoted voluntary effort. Under any Social condition, the withdrawal of that prompting which is styled "The milk of human kindness," would prove a disaster to mankind.

Reply.

Our correspondent begins his letter somewhat uncharitably by casting doubts on the sincerity of our reply to him. We are, however, not concerned with his views on sincerity but only with the accuracy of his arguments.

In his earlier letter he made several sweeping statements which we questioned. The first was that "habits of excess and intemperance . . . are the dominant causes for most of the misery and destitution which exists." The second was that "charitable efforts are actuated almost entirely by human kindness," and the third was that "the

community is able to rely" upon "that grand voluntary scheme of charitable effort," the hospitals.

Our correspondent now abandons his first sweeping statement and puts forward a modified claim in which he says that his "reference is directed to that section of labour amply paid and comfortably circumstanced."

Having drawn attention to the fact that the original statement has been abandoned we now invite our correspondent to tell us which section of the working class he has in mind whom he describes as "amply paid and comfortably circumstanced," their approximate wage, and approximate number. Will he then provide the evidence for his statement that "misery and destitution" exists among them and is caused by "habits of excess and intemperance"?

With regard to our correspondent's second sweeping statement, about the human kindness which he thinks actuates almost all charitable efforts, we gave certain facts known to most people about the way in which funds are raised for so-called voluntary charitable efforts, and about the way in which the charity is dispensed.

These our correspondent ignores completely.

His third statement is simply untrue. As we pointed out, voluntary hospitals in most countries (and to a large extent in this country) have been replaced by State-aided or State-controlled institutions, because the voluntary hospitals did not meet the demands made on them. This, also, our correspondent ignores.

Our correspondent says that it is "unfair to say that charitable effort is frequently prompted by people who would make no attempt to prevent the need of charity." Why it is "unfair" we cannot guess. It happens, however, to be true, which is more important. The poverty of the working class is not due to thriftlessness, but to the fact that they are exploited, by which we mean that they are the wealth producers, yet they receive in the form of wages and salaries only a part of what they produce. Millions of them are, in addition, prevented by the employing class from working, being then driven to seek private charity or State aid. It is a commonplace that the bulk of the subscriptions to charities come directly from defenders of capitalism. In other words, they are "people who would make no attempt to prevent the need of charity."

Tolstoy said the rich will do anything for the poor except get off their backs.

Our correspondent's picture of the capitalists in business because they are "beneficent minded" and "imbued with a love and regard for their fellow-men" is grotesque. They are in business in order to make profit. If our correspondent were acquainted with the history of modern industrial capitalism, or with capitalism to-day in those places

and industries where no kind of outside check has been brought to bear, he would know that in their search for profit the capitalist, like the slave-owner, will stick at nothing. No brutality is too outrageous. (Incidentally, "capitalist" is not, as our correspondent imagines, a term of abuse coined by us, but a descriptive term used by all who want to distinguish one social class from another in accordance with their different methods of getting their living. The *Times*, for example, frequently uses the term, and presumably its readers know what is meant by it.)

ED. COMM.

Labour Party Planning

"Where Stands Socialism To-day?" (Rich. Cowan, Ltd. 3s. 6d. net, pp. 205).

"The Labour Party and the Constitution," H. J. Laski. (The Socialist League, 6d., pp. 28.)

We have been repeatedly criticised in the past, and will probably be criticised again, for our refusal to give exact details of the manner in which the Socialist commonwealth will function. Our refusal has not proceeded from a spirit of perverseness, but from the recognition of the fact that it is impossible for us, or for anyone, here and now to say how men will move and have their being under a system of society that will be established at a time and under conditions which no man can adequately foresee. We know that a classless society organised on the basis of the common ownership and the democratic control of the means of production and distribution is possible when the workers decide it is desirable, but beyond that we cannot go. Possible changes in the technique of production alone are sufficient to cause the mode of life under a system of society established to-day to be different from what it would be under a system established many years hence. We cannot unveil the future, but we can interpret the present and that is all that is necessary for the determination of present political conduct.

The Labour Party has provided numerous examples of the folly of working out the details of a society of the future. Each new scheme that has been put forward by it has been nothing but a Labour Party attempt to interpret a set of ideas current in men's minds at the moment. At one stage nationalisation was the cry, and the manner in which State-controlled, nationalised industry was to function was worked out in detail. Afterwards that picture was rubbed out, or rather it faded out. "Public Utility Corporations" were to be the panacea. So a new picture had to be painted to show, in detail, how in the Labour Party's heaven salvation was to come through public utility corporations. The Russians had a Five Year Plan, so when the world slump came in

1930 many Conservatives thought it was because there had been too much "laissez faire" in economic affairs, and a cry arose in diverse quarters for "economic planning." The Labour Party, as usual, followed the star of the moment and discovered that what was wanted was economic and political planning. It discovered that there would have to be a plan fully worked out, ready to put into operation as soon as the next Labour Government came into office. Office seekers who had seen themselves thrown out of office in 1931, because of economic and political events which they had not foreseen, thought that planning would prevent a MacDonald catching them bathing and stealing their clothes a second time. And the cry for a plan having gone up, the intellectuals of the party began to be afflicted with a mania for planning. Some of the results are embodied in the book and pamphlet under review. The book is based on a series of lectures delivered to the Fabian Society in the autumn of 1932. The authors are H. J. Laski, Sir Stafford Cripps, H. Dalton, A. L. Rowse, S. K. Ratcliffe and G. B. Shaw. It is, itself, a pitiful example of planlessness. Its title is quite inappropriate, for the reader will certainly not discover, as one assumes he is intended to discover, where the Labour Party stands to-day, let alone Socialism. The various writers ramble around and away from their subjects. Dr. Dalton, in a paper entitled "Financial Institutions in the Transition," in fact, deals with anything but what is usually understood by "financial institutions." G. B. Shaw, who attempts to act as compère to an ill-disciplined company, fails to give any unity to the papers. Instead he succeeds in revealing his own lack of understanding of Socialism and exposing many of the mistakes made by his co-authors. Thus Shaw realises that the cry, "the balance of trade must be in our favour or we are lost," is moonshine (page 194). He appears to have delivered his lecture after Mr. Rowse's, otherwise the latter's blood might not have been set boiling (as he declares on page 92 that it was) when he thought how those "responsible for the higher direction of English financial and economic policy and for the welfare of the whole country, have, from the Peace Treaty days . . . been content to allow questions like (Great Britain's position as creditor and debtor) to pass; questions which have prejudiced the whole running of our industry and trade, together with the balance of payments of the country." Mr. Rowse, in fact, reveals throughout his paper his essentially liberal outlook. Keynes is his prophet and the Liberal Yellow Book his crib. He notes that "we as a nation cannot claim to have done at all well in the difficulties that have confronted us ever since the War" (page 90), that not only the working people but the industrialists themselves have been damaged by the financial policy that has been pursued (page 94), that the return to the

Gold Standard put £1,000-million into the pockets of the rentier interests "out of our pockets" (page 95) and added £750-million to the National Debt, "thereby wiping out the whole value of the Sinking Fund which we had been piling up with infinite laboriousness and difficulty." If by "our pockets" and "we" in this sentence Mr. Rowse means the workers and their pockets, we can only assume that in the sequestered peace of All Souls College a Fellow develops a charming naïveté. If Mr. Rowse means something else, let us assure him that the workers will not lose any sleep over one set of capitalists picking the pocket of another set. These are not the sum of Mr. Rowse's Liberal sentiments. The list could be extended to boring lengths, but the examples will suffice to show how little light can be expected to be thrown on Socialism by this book. Mr. Rowse's paper has not been chosen for quotation because it is any worse than the others. In fact he shows signs of having greater intelligence and industry than his co-authors, even if his understanding of Socialism is no greater than theirs. The quotations given above could be matched in any of the other papers, but as there must be a limit to a review there has to be selection. S. K. Ratcliffe's address was given at short notice and therefore may be excused criticism. Dr. Dalton's is shallow in treatment and suggests a man sadly ill at ease with his subject, hiding lack of thought under parrot cries for a 48-hour working week, earlier retirement for workers with pensions, and raising the school-leaving age (which he admits are not Socialist measures), and distillation of oil from coal, main line electrification of nationalised railways, and "cheap socialised power and transport" (which he claims are Socialist measures). Stafford Cripps, on Parliamentary Institutions, has nothing to say that would not find supporters in the Liberal and Tory Parties. His plans for reforming Parliament now are plans to secure its better functioning in the interests of capitalism, not plans to enable it to establish the co-operative commonwealth. It is noticeable that Cripps's plan for a House of Commons functioning through committees is frowned upon by Laski in his pamphlet (see page 13), so presumably more planning is still necessary.

It is regrettable that while Dr. Cannan was still at the London School of Economics his colleague, Professor Laski, did not learn from him some things he could teach about economics. If Laski knew anything about the subject at all he would not have strayed into the errors contained in his paper on "Representative Democracy." His theory is that during the latter part of the nineteenth century democracy in Great Britain had a limited success for two reasons. In the first place this was the leading industrial nation, the predominance of which was so unchallenged that "business men were able to afford all the con-

religious" (Page 25), Professor Laski is prepared to be kind and, provided the King remains a good boy, to stop at "the democratisation of the Monarchy"—whatever that means. Professor Laski writes stuff like this in the fond belief that he is showing how to alter "the essential outlines of the social-economic system." B. S.

Banks and Credit.

A correspondent sends the following criticisms of the article, "The London Money Market," published in the August SOCIALIST STANDARD:—

Tottenham, N.17.

Dear Comrade,

In your worthy attempt to discredit the credit reformers you have presented altogether too naive a picture of banking operations.

The following relation between currency and deposits, drawn by Mr. McKenna, shows that these "plodding creatures of routine" actually lend more than "nearly all" of what they borrow, a process more correctly styled *credit inflation* than credit creation, involving a subsequent currency inflation.

While the increase in currency between June, 1914 and 1920 was £116-millions, the increase in deposits was £1,498, and of this increase Mr. McKenna calculates £1,379-millions were due to loans. The swollen figures of the banks' deposits are only partly represented by money borrowed by the banks, but are mainly due to the extensive lending operations during the war years. This seeming ability of the banker to lend "what he never received," has led to such crudities as the Douglas Credit Scheme. The banker, of course, does not create purchasing power. The power to purchase commodities is another aspect of their ownership. An increase in purchasing power is therefore a reflection of an increase in the productivity of the working class. The bankers simply, by increased lending, increase the number of units by which purchasing power is represented, i.e.: raise prices (unless a proportionate increase in the productivity of labour follows).

To those who think bankers lend mainly from an existing stock of money built from the savings and spare cash of a number of thrifty and careful individuals, it would indeed "seem" that their lending abilities extended to the point of lending more than they actually had; but a loan by a banker is similar to an issue of notes by a Government (or central bank). As by using the printing press, currency is "created," so by presenting cheque books to needy borrowers is credit "created."

What deters the banker from lending *ad lib.*, since the process seems no more than presenting a customer with a cheque book? Considerations such as the need to keep a certain proportion between his cash reserves and deposits, for there is a risk that the interchange of cheques which does for normal business, with a minimum of cash transactions, may be superseded by an increased demand for currency.

But what has aroused the animosity of the borrowing world is the craft by which the bankers manage to transfer to themselves a larger share of the surplus value than it would seem their lending operations deserve. When their loans have reached comfortable proportions, they contract their lending, raise their rates, bring political pressure to bear (return to gold standard), and in the subsequent deflationary period these "plodding creatures of routine" reap their harvest.

How are the workers concerned? In the struggle between sections of the master class over the division of surplus value, now one, now the other appeals to the workers; at the moment the anti-wicked bankers are in the ascendancy, promising increased purchasing power if the workers will support movements to raise prices and reform credit.

Yours fraternally,
R. HOBBSBAUM.

Reply.

It is not easy to disentangle Mr. Hobsbaum's argument. He avoids the common error of the "credit creationists" of maintaining that banks create purchasing power by "creating" bank deposits, but he apparently still believes that:—

1. Bank deposits are a "creation" of the banks, not of the depositors.
2. Prices rise and fall in accordance with changes in the total of bank deposits.
3. A loan by a bank is similar to an issue of notes by a Government.
4. Credit is "created" by banks presenting cheque books to needy customers.

We will take the second of these first.

2. It is quite clear that bank deposits are liable to alter in volume for a variety of causes which nobody would claim affected prices. A mere change in bank book-keeping will alter the total of deposits. Thus if a bank says to a customer, "We will lend you £50,000 as an advance," the total of bank deposits would increase by that amount immediately; whereas if the bank were to say, "We will let you overdraw up to £50,000 in your current account," the total of deposits would remain unchanged. Yet any effect on prices would obviously be the same in both cases. Again, if funds now deposited with the savings banks, building societies, the large stores, the co-operative societies, solicitors, etc., or used to buy National Savings Certificates, had been deposited with banks, the total of bank deposits would have been increased nearly 50%, but of course prices would be just what they are now. A moment's examination of the figures is sufficient to show that price movements do not follow movements in bank deposits. From 1914 onwards both prices and the total of bank deposits rose. Prices reached their peak in May, 1920, when a downward movement set in. Bank deposits, however, continued to increase until January, 1922. Despite the increase in bank deposits from May, 1920, to January, 1922, the price index fell over the period from 325 to 164. After May, 1926, bank deposits began to increase again, but prices continued to move downwards. Bank deposits are now higher than at any time since 1914, while prices are at their lowest level since that date. So much for the theory that bank deposits regulate prices.

1. It is easy to state that banks "create" deposits out of nothing, but neither Mr. Hobsbaum nor anyone else has yet shown how the miracle is worked, or why anyone who was once a banker, as Lord Beaverbrook once was, should ever abandon the El Dorado of banking in order to enter businesses where the making of something out of nothing is agreed to be impossible. Others, besides banks, have deposits. Did they create them by loans to the customers or did the customers in fact deposit funds with them? Finally, if banks

November, 1933

THE SOCIALIST STANDARD

47

create deposits by lending what they have not got, why do they do it to their own detriment? Between July, 1929, and July, 1933, bank deposits increased from £1,816-million to £1,973-million. Mr. Hobsbaum would presumably explain this as being the result of increased "credit creation" by the banks (incidentally, total advances made by the banks fell from £1,002-million to £768-million over this period!), even although it has reduced the profit-earning capacity of the banks. In July, 1929, the banks were earning 5½% on their Treasury bills, and about 5% on their gilt-edged securities. In July, 1933, owing to the fact that credit was so plentiful that "money" was almost unusable, the earnings of the banks on their Treasury bills were reduced to 3%, and on their gilt-edged securities to 3½%. In other words, Mr. Hobsbaum would have us believe that during the last four years banks have deliberately "created credit," although by so doing they reduced the interest that could be earned on their holdings of securities and bills, to almost unprofitable proportions.

3. By "notes," here Mr. Hobsbaum presumably means notes issued without any backing, for it would be difficult for him to claim that deposits "created" against nothing were the same as notes issued against bullion and securities. But even inconvertible notes are different from a bank loan. In Germany, as inflation proceeded there was an increasing reluctance to accept notes issued by the Government and a steadily increasing demand for bank loans, a sufficient proof of the difference.

4. This shows the shallowness and confusion of Mr. Hobsbaum's thought. Does he really believe that banks "create credit" by presenting cheque books to needy customers? We thought, from other passages in his letter, that they did it by lending what they had not got, but we will let that pass and trace out the consequences of this new claim. Suppose the customers fail to use all the cheques presented to them, do they thereby destroy some of the credit created?

We imagine that what Mr. Hobsbaum means to imply is that cheques are currency and that if a larger amount of cheques are drawn prices will rise. The fact is that cheques do not pass from hand to hand like coin and notes, and are not currency: and, despite Mr. Hobsbaum's assertion, normal business is not affected by the interchange of cheques. We beg leave to question whether Mr. Hobsbaum's own normal business is done by means of cheques? If a cheque is currency, at what point does it become currency and affect prices? It is clearly without influence on prices before it is drawn and before it is handed over to some other party. Does the fact that somebody agrees to accept it make it currency, and does it become currency at the moment it is accepted? If so, the acceptance of any other promise to pay (which is what a cheque is) must constitute the creation of currency.

The shopkeeper who agrees to give "tick" against a promise to pay "at the end of the week," the bookie who stands a bet against a promise to pay on the account day, anyone who sells against a buyer's personal I.O.U., etc., would all be creators of currency. The whole idea is too ridiculous to be pursued further.

If Mr. Hobsbaum were correct, monetary problems would defy analysis, but fortunately he is incorrect, and the plain facts are that banks do not and cannot create deposits out of nothing, and prices are not determined by the total of deposits.

B. S.

Answers to Correspondents

"Indolent Kern."—Your letter will be replied to in due course. Crowded out of this issue.

ED. COMM.

* * * * *

Mrs. M. Richardson (Forest Hill).—We have your letter questioning the accuracy of the quotation from the Australian Communist Party pamphlet, "The Communist Way Out of the Crisis." As you cannot supply a copy of the pamphlet and we have failed to obtain one in London, we have sent to Australia for it. As soon as we receive it we will publish your letter and a reply.

ED. COMM.

* * * * *

Mr. H. Timmins (Tottenham).—The main point of your first letter (replied to in October SOCIALIST STANDARD) was a charge of inconsistency between the issue of the SOCIALIST STANDARD for March, 1925, and the issue for April, 1926. We notice that you do not attempt to maintain your charge in face of our reply. The main point of your second letter is a different one, only vaguely hinted at in the first letter. It is that as a Marxist organisation, we ought not to disagree in any way with Marx. You are entirely mistaken in supposing that the S.P.G.B. claims now, or ever has claimed, that whatever Marx said must be right, and therefore your attempted criticism, based on this absurd supposition, falls to the ground. This question has frequently been touched upon in recent issues. See, for example, the article on Marx in the issue for March, 1933, the article on reforms in the issue for July, 1932, and the reply to "Puzzled Elementary Socialist," elsewhere in the present issue.

Our criticisms of other political parties are not based on their failure to agree with all that Marx wrote and said, but on their failure to act in accordance with the interest of the working class.

ED. COMM.

"SOCIALISM AND RELIGION"

48 pages. TWOPENCE 2½d. post free.

WEMBLEY.

Meetings are being held on alternate Sundays at 3.30 p.m., at WEMBLEY SPORTSMEN'S CLUB, Central Parade, High Road (opposite Municipal Offices).

November 12th - "Morality" - A. STEWART
" 26th " "Psychology" G. CAMERON.

Non-Members invited. Admission Free.
Questions and Discussion. Commence 3.30 p.m.

STEPNEY.

A Meeting will be held at MILE END MUNICIPAL BATHS on a Friday evening early in December.

Subject - - "Socialism."
See local announcements.

ROMFORD.

A CHALLENGE is extended to all opponents of the S.P.G.B. to defend their positions at a Meeting to be held at the ROMFORD N.U.R. TRADES UNION AND LABOUR CLUB, Albert Road, on

Monday, November 6th, at 8 p.m.

Everyone Welcome. Admission Free.
Questions and Discussion.

ROMFORD. HORNCHURCH. UPMINSTER

Sympathisers residing in or around these districts who are willing to co-operate in the forming of a local branch are asked to communicate with Mr. G. L. KIV, 82, Dagenham Road, Romford.

"SOCIALISM"

The Revised edition of our pamphlet "Socialism" is now on sale.

48 pages, price 2d. (Post free 2½d.)

Send for a copy to the LITERATURE SECRETARY
42 Great Dover Street, S.E.1

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 204, Bannatyne Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand. Secretary, T. J. Philips, 16, Hawea Road, Pt. Chevalier, Auckland, W.3, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O., Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BIRKENHEAD.—Communications to H. Dawson, 26, Vulcan Street, Birkenhead, Cheshire.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 289, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Gray's Inn, Road).

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (beginning, 7th August) at 8 p.m., Pettits' Farm, Heathway. Sec. W. Waters, 396, Heathway Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 8 p.m. at 141, Bow Road, E.3.

ECLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Nabun Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Tuesday in Room 3, 14A, Graham Road, Hackney, 8 p.m. Discussions 9.30. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 105, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 53, Addison Street, Ardwick. M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEDFIELD.—Sec., G. H. Southgate, 64, Pickering Rd., Neepsend Branch meets alternate Mondays, 7.30 p.m. at Room 10, Friend's School, Hartshill.

SOUTHEND-ON-SEA.—Branch meets 1st and 3rd Wednesday in the month, at 8 p.m. at 6, Hermitage Road, Westcliff. Discussion after branch business. Non-members invited. Communications to Sec. at above address.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest St., Mile End. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m., 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 38, Rosebank Avenue, Sudbury Hill. Branch meets alternate Fridays at 8 p.m. at Cafe-Restaurant over 170, High Road, Wembley. Meeting on Friday, November 3rd.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by R. H. TAYLOR & SON, LTD., 55/57, Banner Street, London, E.C.1. (r.v.)

THE SOCIALIST STANDARD

The Official Organ of THE SOCIALIST PARTY of Great Britain.

No. 352. Vol. 30]

London, December, 1933

It is not a form of Government which the . . . working class must blame for their wrongs, but the system of society from which that . . . form springs.
J. F. BRAY

[Monthly. Twopence]

“We are all Socialists Now”

It is more than 40 years since the late Sir William Harcourt made his jocular remark in the House of Commons, a remark which Sir John Simon repeated the other day. During that 40 years the political scene appears at first glance to have been changed almost out of recognition. The old issues in the forefront of party controversies have given place to new ones. The names of parties have changed. At that time there was no Labour Party and no National Government. Labour Governments were hardly dreamed of. The world had not yet been made safe for Fascism by a war to defend democracy. For every person who then called himself a Socialist, there must be a hundred now; and those who would seriously

admit being prepared to support what they regard as Socialistic and semi-Socialistic measures must have been multiplied a thousandfold.

Yet when we look below the surface what kind of foundation do we discover for all this talk? Much as we would have liked to say otherwise, we cannot escape the admission that there is all but no

foundation at all. When the *Morning Post*, in an unusually discerning editorial (“Is Capitalism Dying?” November 16th), chides Mussolini for his statement that capitalism is tottering, the *Morning Post* is right and Mussolini is wrong.

As the *Morning Post* justly points out, Laissez-faire, the early unregulated period of capitalism, has been largely done away with, but the surface changes of the past 100 years “have left intact the essential foundations of capitalism as generally understood, which are the private ownership of the means of production and distribution, and private initiative in economic enterprise.”

When, therefore, Harcourt and Simon, Hitler and Henderson claim that they are Socialists, we reply that they are nothing of the kind.

They are not all Socialists now. Sir William Harcourt’s death duties were not Socialism or Socialistic. Sir John Simon is not a Socialist. Mr. Ramsay MacDonald is not and never was a Socialist. Nor is Henderson. Nor are the parties represented by these men. Our institutions are not Socialistic. The Post Office is not Socialism. Nor are the municipal trams and water works and gas works. Nor is Mr. Herbert Morrison’s London Passenger Transport Board, in spite of his description of it as the typical modern form of Socialisation. We live in a capitalistic world, capitalistic through and through.

Lest it be said that we are avoiding the real issue, the alleged building up of Socialism in Russia, let us examine that claim also.

We are told by enthusiasts for everything Russian that a new non-capitalist world is there coming to birth. That never before and in no other place could be found such a multiplicity of suc-

ON OTHER PAGES	
<i>Page</i>	
The Hoary Illusions of Youth	51
Marx and Lenin—Distorted Views	52
Northern Ireland “Socialist” Party	54
Meetings and Lectures	55
Hitler and Marx	56
Words and Men	56
Banks and Credit	58
Answers to Correspondents	60
Notes by the Way	62

cessful State enterprises, such rapid social progress raising millions of people from a lower to a higher stage of development.

To all of which the answer is that it is not true. That industrial progress is being made in Russia is not disputed, but that progress is not unique or original, and it is not Socialism or directly in the path towards Socialism.

Let us make a rapid world tour in order to test the Russian claims by comparison with other countries. Russia has State enterprises of one kind or another. Is this original? England has State posts, telegraphs and telephones, financed by huge interest-bearing loans just like the Russian State enterprises. Probably the majority of countries have either State railways and State ports and telegraphs or both. Australia has experimented at length in a large variety of State enterprises, including State shipping, State railways, State clothing factories, State banks, State woollen mills, State batteries. Prussia has had State iron mines, potash and salt mines. Many countries have had State forests, including Czarist Russia, which also had State coal mines.

At the present moment the Canton Government is setting up State factories for cottons and woollens, and the Government of the Dutch East Indies is also intending to go into cotton manufacture. Roosevelt is trying to encourage municipal enterprise of many kinds in U.S.A.

Has Russia been able to show a great increase in the amount of industrial production during recent years? So have Turkey, Latvia, India, and half a dozen countries in Europe and the East. Has this growth in Russia taken place under the control and with the direct encouragement of the State?—so it has in many other countries. Long before the war, India complained that Japanese exporters were able to undersell in India owing to the help and encouragement given by the Japanese Government to industry. Japan tried out the idea of State factories as a means of speeding up industrial development many years before the Bolsheviks thought of it. Thus in 1912 the British Consular Report (No. 5161, annual series) reported that the Japanese Government steel works had an output of 180,000 tons, "but with their new extensions they will soon be in a position to produce some 300,000 tons." (See "The State in Business," Emil Davies, p. 60.)

Between 1908 and 1918 the number of industrial establishments in Japan showed the startling increase of about 96.6 per cent (See Encyclopædia Britannica, 12th edition, vol. xxxi, p. 644). Thus in 10 years the number of factories had been doubled.

It is interesting to notice, however, that although the Japanese Government led the way by means of State factories and State encouragement of industry, when private factories had found how

to fend for themselves the State factories were allowed to go. Thus between 1908 and 1918 the number of Government factories fell from 196 to 161. (They employed over 150,000 men and women in 1918.)

Has Russia got rid of a monarch and established a dictatorship? So have Turkey, Poland, Germany, and Austria.

Did Russia break up the big estates and hand over the land to the peasants? So have territories which were formerly Russian, and are now independent (e.g., Latvia), and also neighbouring countries in Eastern and South-Eastern Europe. Has Russia seen great social changes? So has Turkey. Turkish industry has made considerable strides in the past 10 years, and further development of industry is planned, partly under Government auspices (textiles, for example). In a period of a few years, 2,200 new factories have been built, and 1,200 miles of railways.

Turkish women, like their Russian neighbours, are now entering more and more into all kinds of public activities. They are now allowed to vote in village elections and to become town councillors, magistrates, doctors, civil servants, etc.

One great change carried out in Turkey has been the abolition of the Arabic alphabet and the use in its place of a latinised alphabet more suited to the needs of commerce.

The upshot of all this is that the changes brought about in Russia are not Socialistic, but part of the general development of the backward nations towards industrialisation and commercialism. With the changes at the base, the social superstructure, religion, political systems, the law and social conventions have also changed in greater or less degree.

The world has changed and is changing, but not yet towards Socialism. "We are all Capitalist now" is becoming day by day a more accurate description of the social system from Moscow to Buenos Aires, and from pole to pole.

The Fascist nations are, of course, no exception. Mussolini claims that his plans of a "corporative State" are not State capitalism, but something new and different, but the claim is no better founded than the claims of Hitler and Stalin, that they are introducing Socialism. The chief thing to observe about Mussolini is that his "corporative State" is still entirely on paper. After 11 years, the "man of action," who was put into office on the slogan of clearing out the mere talkers, now writes in the *Morning Post* (November 6th) soft-peddling on action like any other politician who racks his brains for new excuses for doing nothing to give to his impatient supporters. He has discovered that "Fascism has amply demonstrated that, in economic matters, it is necessary to act by degrees. . . . Many situations have ripened and many minds have opened themselves to the new necessities."

After 11 years of dictatorial power, the "man of action" tells us we must "act by degrees"—and the action, the formation of the guilds, has for all practical purposes not yet begun.

The "man of action" turns out to be a Fabian, an apostle of gradualism.

No, we are not all Socialists now. The number of Socialists is still very very small, and the essential problem still remains before us. State capitalism, municipal enterprise, public utility corporations, "corporative guilds," and all the rest of the forms of capitalism have got to be cleared away before Socialism becomes a reality.

H.

The Hoary Illusions of Youth

Mr. Jack Edwards, Chairman of the League of Youth Advisory Committee, in an article in the *Daily Herald* of September 21st, 1933, states the case, as he sees it, for youth.

He says: "Modern youth is in fact better, brainier and more inquisitive." He ascribes the terrible effects of war upon the mothers of that period as being due to "The blunderings of a generation tied to antiquated traditions." He goes on to say that youth now is different, opposes war and, instead of marching off to the next war, will pause and ask why!

He says: "The more whys we ask, the more unsatisfactory becomes the answer."

"We do not believe that there is no work amidst such want. Given the opportunity now we would free the world from the misery, want and suffering caused by uneconomic management and bolstered up by armed force. Peace is our object."

He suggests a world parliament, where "Men of heart and will, men and women of knowledge, doctors, teachers and mothers," could all come together and thrash out the world's problems. Then as to practical measures for settling these problems, he suggests that if youth had the power, it would do the following:

"A drastic cut in working hours, without reduction in pay; wider and greater opportunities in education; a new and adequate pension scheme; compulsory retirement from industry for those on pensions; directions to local authorities to speed up housing and public works, with public finance to aid them; Government control of the banks and the closing of the Stock Exchange, the establishment of a national investment board to direct money into the channels most advantageous to the community."

This seems a tall enough order, but Mr. Edwards then airily says: "These are but some of youth's plans to grapple with poverty at home."

To plan seems the only indulgence which the L.L.Y. is allowed. It is not allowed representation on the E.C. of the Labour Party at the moment,

and much as its members resent this, their "plans" certainly prove that they will need to ask more whys and get a sounder understanding of the position before they can be given serious consideration.

From the point of view of soundness, however, the parent body can certainly not teach its child anything worth knowing.

The rest of the article is devoted to obvious facts of the capitalist system which need not be repeated, but it is rather amusing to hear Mr. Edwards cite the civil servants as being those who work for OUR common good, and deplored the fact that THESE should be subject to wage attacks.

Why these any more than any other worker, and if they are workers for the "common good," how about all the rest of us, who are producing all the necessities of life, not for use, but for the profit of our masters? Mr. Edwards evidently has not asked enough whys yet.

It is now time for us to ask a few whys of Mr. Edwards.

First of all, then: Why does he give us a rigmarole about antiquated traditions being the cause of war?

Economic conditions are not antiquated traditions. They are the natural workings and outcome of the existing system of society. The economic conditions of capitalist society are such that production for profit, which is commodity production, demands an outlet for the goods produced. When a market cannot be obtained through ordinary trade treaties, etc., then the capitalists have to engage in war in order to put their rivals out of action on the productive field, and so that the agreements after the war can be arranged advantageously for the victor; which, of course, they hope to be themselves.

Disarmament Conferences, to which Labour politicians can be invited, are the scratching grounds upon which the capitalists can sort out the tit-bits. The Labour politicians give the assemblies an air of realism and serve to keep the workers quiet. When war occurs during a Conference, such as the Chino-Japanese affray recently, the family gathering breaks up to allow the fight to continue; when it is over, the naughty children are scolded and the happy family is once more reunited. No, we are not dealing with antiquated traditions, but the very much up-to-date methods of modern capitalism.

Why is it that there isn't employment for some workers under capitalism? Mr. Edwards proves clearly why, later in his article, when he says "Youth bids its elders no longer to tolerate a world in which people cannot buy bread because there is too much wheat; where crops from the tea plantations must be restricted, while people cannot buy tea"; etc., etc.

We Socialists do not cry out for more work. Many workers do far too much, and needlessly unpleasant work; become, in fact, merely beasts of burden, knowing nothing of the delights of living. Art, music and literature are only fine-sounding words to them.

Mr. Edwards only states a half-truth in the previously quoted passage.

It is not only because there is too much tea, wheat, etc., but because the goods produced are privately owned. Unless they can be sold at a profit, further production is stopped or restricted; hence unemployment. This is the necessary outcome of capitalist society, and neither Mr. Edwards, with his youthful demands, nor the Labour Party can abolish it without first of all abolishing capitalism, which is the cause of it.

But this Mr. Edwards does not want to do. Otherwise there is only need for him to advocate one policy instead of the many plans laid down by him and previously quoted. That policy is Socialism.

Let us examine his plans.

First of all, then, who pays the wages? The capitalist, obviously.

Higher wages with less hours means a reduction in capitalist profit, unless output per head can be increased. This gives the capitalists an added inducement to speed up production, and instal labour-saving machinery.

Who advances the money for the State to take over or nationalise the essential services? The capitalists. In other words, people with money to invest, would-be bond holders. Who is it who runs the Stock Exchange? The same people. We see, then, in order to do any of the things which Mr. Edwards suggests the first thing to do is to dispossess those who now own and control the wealth. This is the only measure that needs enforcing. It is, in fact, the key to the situation. Although Mr. Edwards gives lip service to this idea, he goes on to deal with all the ramifications of capitalist society. Why, when the workers are in control and the capitalists dispossessed, Mr. Edwards still wants a National Investment Board is beyond us.

If Mr. Edwards thinks that the workers and the capitalists can work together advantageously to both, then there is no need to render lip service to Socialism. He is quite in order in trying to get support for his plans to rejuvenate capitalism, but he and other confusionists do the cause of Socialism incalculable harm by tacking its name upon their projects.

The point which stands out clearest in the whole article is Mr. Edwards' lack of knowledge of the fundamentals of Socialism. The end of the workers' troubles must and will come with the dawn of Socialism.

Socialism means the abolition of the private ownership of the means of production and distri-

bution that goes with investment boards, public finance, Government control, money, in fact, everything which Mr. Edwards has taken such pains to impress upon his *Daily Herald* readers that they must build up under youth's guidance.

As Socialists, we know that our job is to teach Socialism in every possible place and way we can. We can only do that when we understand it ourselves, and we can only get it when the majority of the workers understand it and are prepared to work for it.

Mr. Edwards is either a very muddled thinker or a deliberate confusionist. MRS. O.

Marx and Lenin—Distorted Views

"Karl Marx," by R. W. Postgate. 1s. 6d.
"Lenin," by R. Palme Dutt. 1s. 6d. (Hamish Hamilton, Ltd., 90, Great Russell Street, W.C.1.)

The above two booklets form part of a series purporting to deal with the pioneers of Socialism and issued at a uniform price. Containing less than a hundred pages each, it is obvious that the subjects suffer a great deal from compression. This is particularly noticeable in the case of Marx. Unfortunately, this is not the only serious defect.

Mr. Postgate's volume has its good points. The thirty pages dealing with Marx's life are brightly written. The first part of the Communist Manifesto is fairly well paraphrased in the shorter chapter on Historical Materialism, and the first book of Capital is summarised in another chapter somewhat longer. Then follow the final ten pages, in which the author seeks to show that Marx's dialectical method is out of date and useless. The attempt is cheap, scrappy and quite unconvincing. Because the Bolsheviks obtained political control in Russia and the Nazis have followed suit in Germany, Mr. Postgate thinks that Marxian dialectics have gone phut! He would substitute "Modern psychology." Apparently, what we require to know, in order to understand latter-day history, is (not the material conditions existing in Russia or Germany, as the case may be) but the psycho-analytical interpretation of the dreams of Lenin and Hitler. Which is as good as saying that any such understanding is for ever impossible. Let us suppose, for the sake of argument, that Hitler is a sadist, or that Lenin suffered from paranoia; does that teach us anything worth mentioning about the movements with which they were associated? Obviously not.

On page 89 we are told that "Socialism may be possible, it may be probable, but it cannot be inevitable." Mr. Postgate repeats the stale dualism that the inevitability of Socialism would make action in its favour unnecessary. His difficulty reminds one of the poser put by Alfred Lester to

the old lady whom he showed round the village fire station: "Does a hen lay an egg because it wants to or because it can't help it?"

To the dialectical materialist the answer is obvious. The hen's "want" is simply the more or less conscious reflection of an unavoidable organic necessity. Mr. Postgate is evidently of the opinion that the hen could (if it wanted to) keep on twiddling the egg round the interior of its anatomy for an indefinite period.

The economic conditions which make Socialism possible simultaneously make it necessary. Indeed, logically, there can be no distinction between the terms. Socialism can be possible only if the forces making for its establishment are stronger than those retarding it, in which case it is inevitable. Seeing, however, that society consists of human beings, social development must inevitably consist of the more or less conscious activity of human beings. The social development will force them to recognise the problem and the solution to it. Mr. Postgate's final chapter, however, merely sums up the fallacious attitude which peeps out in his winding up of his earlier chapters.

For example, on page 72 he says: "We see that the labour theory of value explains the growth and composition of capital as accurately at least as any other." What acuteness! One would have thought that if the theory which finds the source of value in labour is accurate, then "other" theories (which find it elsewhere) are decidedly inaccurate. On page 80 he rehashes Bernstein's doctrine of the survival of the "middle-class," and regards the "Fascist revolution" as the work of this section. He fails entirely to see that the intense political reaction of this section on the Continent is the strongest possible evidence of the desperate insecurity of their position as a result of the development of large-scale capitalist production.

Mr. Postgate follows the current fashion among "intellectuals" of professing to regard the economics of Marx as of much less importance than the materialist conception of history. The absurdity of this is apparent on the face of it. According to Marx's view no epoch can be understood apart from its economic basis. His critical examination of capitalism as a system of production is, therefore, of fundamental importance. The understanding of previous history is necessary, since out of the past capitalism arose; but, in Marx's own words, we have not merely to explain the world but to change it, and must therefore understand what it is that we wish to change.

To sum up, Mr. Postgate displays the stamp of superficial mediocrity; patronising genius, he endeavours to push it aside. It is almost a relief to turn from this flippant, over-grown schoolboy to the somewhat humourless Mr. Dutt.

In spite of the manifest bankruptcy of "Communist" theories (both official and oppo-

sition), he eulogises Lenin as having added something of importance to the work of Marx. Approximately two-thirds of the book are taken up with a general description of the life and times of Lenin, especial stress being laid upon his critical attitude towards the leaders of the Second International. Lenin, however, rejected one type of opportunism only to fall into another. The circumstances of the large class of small property owners in Russia, mainly peasants, were different from those of their counterpart in Western Europe, such as the peasantry of France. They still had an active rôle to play in relation to Tsarism. They had no notion or intention of abolishing capitalism, but they did wish to enlarge their property by breaking up the landed estates of the nobles, large and small.

Lenin was largely instrumental in securing an interchange of support at the critical moment between the politically active elements of this class and the Party which he led. He did this in the name of the world revolution of the working-class; but sixteen years after the Bolshevik seizure of power that revolution is not above the horizon. The attempts of Lenin's followers to foment it by hot air have failed, from China to Peru. In Russia itself we find Stalin, with his doctrine of "Socialism in one country," occupying the place of Lenin and Trotsky, with their notions of immediate world change.

Like Mr. Postgate, Mr. Dutt cannot forbear to have his little dig at the Second International parties succumbing to Fascism and Nazism, and writhing under the whip of the counter-revolution. He forgets that his own withers are rather badly wrung. Just over ten years ago, *The Worker's Weekly* (of which he was then Editor) repeatedly assured us that a Communist Revolution would occur in Germany in the course of the following month. Apparently it is still waiting for a German Lenin to descend from the clouds.

Mr. Dutt devotes several pages to an outline of Lenin's views as to the relation between the workers in the large capitalist countries and the populations of the relatively backward areas of Asia and Africa. On page 70 he advances once more the fantastic notion that part of the tribute from the Colonies is used by the capitalists "To buy off the upper strata of the working class in the imperialist countries." Does Mr. Dutt seriously contend that the workers of these countries fail to produce the equivalent of what they consume as a class? What kind of "revolutionary Marxism" is this?

On page 77 we are told that "The dictatorship of the proletariat is a dictatorship of the immense majority against the minority of exploiters." This is an attempt to make Lenin's position square with that of Marx and Engels in the Communist Manifesto. We have ample

testimony from Lenin himself that his dictatorship was, on the contrary, one of the few over the many. See, for example, "The Soviets at Work" (pp. 33-37), where he defends the decrees "Granting dictatorial powers to individuals," and "Demands the absolute submission of the masses to the single will of those who direct the labour process."

In supporting the Bolsheviks the workers and peasants of Russia merely changed their political masters. These new masters may be more efficient and humane than the old, but they are masters none the less. The emancipation of "the masses" remains to be accomplished. The Russian dictatorship was the outcome of Russian anarchy—the counterpart of the well-nigh hopeless chaos, both in the workshops and on the land, which followed the military debacle of 1917. It is one thing to import ideas into a country like Russia, however, and quite another matter to import the conditions to which these ideas correspond. Under such circumstances even a hundred Lenins could not prevent "Socialist" ideas becoming a cloak for reactionary practices.

E. B.

THOUSAND SHILLING FUND

We want that thousand shillings at your earliest, and in case of misunderstanding, there is no minimum or maximum to the amount you may send. We have decided to reprint the pamphlet, "Why Capitalism will not Collapse," our first edition, 10,000, being sold out in 18 months. The printer will want some more cash, and we, not being allowed overdrafts at the bank, must ask you to send it along. So let's budget the balance.

A list of donations to November 21st is given below:—

S. W. T., 1s.; M. B., 5s.; J. W. S., 1s.; O. C. R., 2s. 6d.; W. H. H., 1s.; S. A. G., 2s.; E. F., 1s.; A. D. C., 2s.; E. R., 1s.; F. J. H., £1; H. A. M., 5s.; A. B. D., 2s.; B. H., £1; 999, 1s.; E. P., 6s.; J. R., 1s.; A. P., 1s.; F. A. N., 2s.; A. W. G., £1; T. T., 1s.; W. E. B., 1s.; S. H., 2s.; H., 3s. 6d.; H. B., 1s.; A. R., 1s.; J. E. R., 1s. 6d.; H. D. U., 12s. 6d.; W. and T.A., 2s.; A. C., 1s.; O. C. J., 10s.; A. W. C., 5s.; M. L. P., 2s.; R. and A. K., 10s.; A. H. S., £1; R. G. T., 1s.; A. W., 5s.; F. W. S., 5s.; R. M., 2s.; H. B., 2s.; J. E. C., 1s.; F. G., 2s.; C. E. S., 2s.; J. G., 2s.; Comrades, 11s.; D. B., 5s.

Treasurer.

DONATIONS TO PARTY FUNDS

(In addition to donations to Thousand Shilling Fund.)

J. E., 10s.; W. S., 10s.; F. F., 7d.; Joe, 10s.; G. B., 5s.; Wembley Branch, £1; A. P., 2s.; B. R., 5d.; L. E. W., 5s.; Watford Branch, 14s. 2d.; J. C., 1s.; W. S. T., 10s.; J. R. S., 2s.; J. K., 6s.; J. A., 1s.; G. S., 5s.; J. R., £1 5s.

This Month's Quotation

The quotation this month is from "Labour's Wrongs and Labour's Remedy," by J. F. Bray (page 91), published 1839.

Northern Ireland "Socialist" Party

A correspondent in Northern Ireland has sent us the Constitution and Rules of an organisation calling itself the "Northern Ireland Socialist Party," and affiliated with the Labour Party.

The Constitution is a mixture of the Constitutions of the Independent Labour Party (up to 1931) and of the Labour Party. It contains, therefore, the usual large and small inaccuracies and unsound notions cherished by those parties.

For example, the object consists of the meaningless phrase that Socialism "is that state of society in which land and capital are communally owned, and the processes of production, distribution and exchange are social functions."

Even Mr. Maxton had to confess when his attention was drawn to it, that "capital" by its nature cannot be communally owned. Capital is not merely machines and other instruments of production; it is those things in a particular social relationship—the capitalist form of private ownership. When the means of production become the property of society as a whole, they will cease to be means of providing profit for private owners; they will no longer be capital.

Similarly, it is absurd to talk about "exchange" under Socialism. Exchange only has a place when goods are privately owned. Under Socialism goods will be produced and distributed. There will be no process of exchange.

Again, the Constitution states that the basis of Socialism will be "the organisation of the wage and salary earners." Actually Socialism involves the abolition of the system of wage-labour altogether. There will be no capitalist class and no working class, and, therefore, no wage and salary earners.

This so-called Socialist Party is merely another attempt to build up in Northern Ireland one of the vote-catching, reformist organisations with which we are familiar in Great Britain, Australia, New Zealand, and elsewhere.

It is not a Socialist Party in anything but name, and is not deserving of working-class support.

P. S.

"The Western Socialist"

The Socialist Party of Canada is now publishing a journal, "The Western Socialist." Copies are obtainable from the Socialist Party of Canada, Manitoba Hotel, 194, Market Avenue East, Winnipeg, at five cents a copy; or at 42, Great Dover Street, London, S.E.1, at 2d. per copy (2½d. post free). The first issue was published in October, and further issues will be published as funds allow.

NOTICES OF MEETINGS & LECTURES

HEAD OFFICE.

Meetings are held at the HEAD OFFICE, 42, GREAT DOVER STREET, S.E.1, every Sunday evening at 8 p.m. December 3rd. Subject ... "Life and Trials of Robert Owen." Speaker S. Stewart. December 10th. Subject ... "Abolition of the Working Class." Speaker E. Wilmot. December 17th. Subject ... "The General Strike." Speaker "Cameron." December 24th. Subject ... "The Paris Commune." Speaker "Robertus." Admission free. Questions and discussion. Non-members invited. (No meeting on December 31st.)

BLOOMSBURY BRANCH.

Lectures are given every Friday evening at 8.30 p.m., at the AMALGAMATED ENGINEERING UNION HALL, 39, Doughty Street (corner of Guilford Street), W.C.1. December 1st. Subject ... "Socialism and the State." Speaker A. Turner. December 8th. Subject ... "The Rise of Trade Unionism." Speaker G. Bellingham. December 15th. Subject ... "Napoleon the Little." Speaker A. Snellgrove. December 22nd. Subject ... "Science and Superstition." Speaker F. Evans. Questions and discussion. Admission free. Non-members invited.

HACKNEY.

Lectures are held on Tuesday evenings, at 8 p.m., at the OLD GRAVEL PIT HALL, Vallette Street, Mare Street, Hackney. December 5th. Subject ... "Determinism." Speaker G. Manion. December 12th. Subject ... "Labour Theory of Value." Speaker S. Goldstein. December 19th. Subject to be announced. Questions and discussion. Non-members invited. Admission free.

LEYTON.

Lectures are being given on Sunday evenings at the TRADES AND LABOUR HALL, Grove House, High Road, Leyton. December 3rd. Subject ... "Derelicts of Capitalism." Speaker D. Russell. December 10th. Subject ... "Capitalism and Food." Speaker G. Cameron. December 17th. Subject ... "Socialism and Secularism." Speaker A. Kohn. Commence at 8 p.m. Non-members invited. Questions and discussion. Admission free.

WEMBLEY.

Meetings are being held on alternate Sundays at 3.30 p.m., at WEMBLEY SPORTSMEN'S CLUB, Central Parade, High Road (opposite Municipal Offices). December 10th. Subject ... "Wheat." Speaker "Sandy." (No meeting on December 24th. Next meeting on January 8th.) Admission free. Non-members invited. Questions and discussion.

NOTTINGHAM.

A Lecture will be delivered on Sunday, December 10th, at 2.30 p.m., at the LECTURE THEATRE, UNIVERSITY COLLEGE, Shakespeare Street, Nottingham (under the auspices of the Notts. Cosmos Society). Subject ... "Atheism and Religion and the S.P.G.B." Speaker A. Kohn. Open to all.

SHEFFIELD.

A Meeting will be held on Monday, December 18th, at 7.30 p.m., at FRIENDS' SCHOOL (Room 10), Hartshead. Subject ... "The State and Revolution." Speaker E. Boden. Admission free. Questions and discussion. Non-members invited.

STEPNEY.

A Meeting will be held at MILE END MUNICIPAL BATHS, Mile End Road (near Stepney Green Station), on Friday, December 15th, at 7.30 p.m. Subject ... "Socialism, the Only Solution." Speaker G. Bellingham. Non-members invited. Admission free. Questions and discussion.

DAGENHAM.

Meetings will be held at 8 p.m., at PETTIT'S FARM, Heathway, Dagenham. Friday, December 1st. Subject ... "Socialism, Utopian and Scientific." Speaker E. Wilmot. Friday, December 15th. Subject ... "Karl Marx, His Life and Work." Speaker S. Goldstein.

ROMFORD.

Meetings will be held at 8 p.m. at ROMFORD N.U.R. TRADES UNION AND LABOUR CLUB, Albert Road, Romford. Monday, December 4th. Subject ... "The Working Class." Speaker "Sandy." Monday, December 18th. Subject ... "Why We Oppose All Other Political Parties." Speaker S. Cash.

HORNCHURCH.

Meetings will be held at 8 p.m. at KINGSWOOD DINING ROOMS, Hornchurch Road, Hornchurch, adjoining bus garage. Tuesday, December 5th. Subject to be announced. Speaker D. Russell. Tuesday, December 12th. Subject ... "Russia? Socialism or Capitalism." Speaker F. Johnson. Following the Meeting, on December 5th, at Hornchurch, an effort will be made to form a local Branch. Will all who are interested please attend, or communicate with Mr. G. L. Kiy, 32, Dagenham Road, Romford. At all of the above Meetings admission is free. Non-members are invited, and there will be questions and discussion.

POPLAR.

A Public Meeting will be held at POPLAR TOWN HALL (Newby Place), on Sunday, December 3rd, at 8 p.m. Subject ... "The Necessity for Socialism." Speaker A. Ambridge. All invited. Questions and discussion. Admission free. Doors open, 7.30 p.m.

INDEX to "SOCIALIST STANDARD"

A full index to the "Socialist Standard" for the year September, 1932 to August, 1933, has been prepared and printed. It will be supplied at 1d. per copy (1d. post free). Send your order at once to Literature Secretary, 42 Great Dover Street, S.E.1, or apply to local branch.

THE
SOCIALIST STANDARD

DECEMBER, 1933



OFFICIAL NOTICE

All communications for the Executive Committee. Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 42, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

TERMS OF SUBSCRIPTIONS.

Twelve Months, post free	2s. 6d.
Six Months, post free	1s. 8d.

Hitler and Marx

Hitler knows well how to use the demagogic arts to attract and inflame his audiences. He is the typical "hero as gasbag," which is what the majority of electors at present require of their political leaders. Yet in the mass of chaff, there are grains of sound criticism of the existing economic system and its institutions. He is contemptuous of the snobbish and limited outlook of many University professors and Government officials, and rightly despises much of the useless learning with which their heads are stuffed at schools and colleges. As he says, the high school system is largely organised to insert mechanically just that kind of book learning which will enable the pupils to pass civil service and other examinations, and most of it is of little use afterwards. He also derides the cash basis of personal estimates: "In these days whole hosts of people have no other standard of measurement for each other than their salary scales."

One cannot help being struck by the fact that although Hitler constantly denounces Marx and Marxists, his criticisms of the school system are very much like those to be found in Marx's writings. It is an amusing thought that Hitler's diatribes are probably based on what he picked up from Marx's works, and as in his youth Hitler was associated in Vienna with an Austro-Marxist group, it is quite possible.

On the other hand, nothing demonstrates more clearly the ignorance or dishonesty of the Nazi leaders than their description of the German Social Democrats and Liberals as "Marxists." Anyone who knows what the Social Democrats thought and did, knows that knowledge of Marxism played

very little part in the practical aims, policy and organisation of their movement. They repeated Marxist phrases and professed adherence to Marxist principles, but this had little more influence on their conduct than the profession of Christianity has on the policies of the governments of Christian Europe and America.

How ill-informed or ignorant the Nazis are can be seen in Dr. Eismann. He is a learned writer on political affairs, and "proves," in an article in a journal of public administration ("Beamten Jahrbuch," Berlin, October, 1933) that the British Labour Party is Marxist. His proof takes the form of the assertion that Marxism has been instilled into the Labour Party by the Social Democratic Federation, the Socialist Labour Party and the I.L.P.! He evidently does not know that the S.L.P. is dead except for one or two moribund groups, and that it was opposed to the Labour Party and was never affiliated to it, and had little or no influence on it, and that its Marxism was always tainted. He does not know that the I.L.P. was born, and in turn helped to give birth to the Labour Party, not as a Marxist, but as an anti-Marxist party, and that it has never been anything but a radical-reformist organisation, occasionally flirting with Marxism without ever understanding it. The S.D.F. was an active party before the Labour Party was born, but has never exercised any great influence, still less any great Marxist influence. It also is now nearly dead, and its Marxism was even more tainted than that of the S.L.P.

Dr. Eismann may be forgiven for not knowing these facts, for he may have been misled by the rubbishy histories written by muddle-headed Labourites in this country. That excuse cannot, however, apply to his belief that the Labour Party is going Marxist. If he knows anything about Marxism, he must know that the Labour Party is no more a Marxist party than the National Government Party now led by MacDonald, the former leader of the Labour Party.

Words and Men

(Continued.)

During the post-Renaissance period we notice a striking increase in popularity of "subjective" literature—that is to say, works in which man turns his attention inwards to his own thoughts and feelings, instead of preaching a doctrine or uttering conventional sentiments. Individual human reactions and the relations between small groups of individuals take on paramount importance; so much so that even in describing inanimate objects or external nature writers project their own feelings on to the thing described and give it human characteristics.

This development is, of course, part and

parcel of the new spirit of free expansion and expression of the individual which in terms of economics meant unfettered competition.

Let us turn back to France and see how the work of the Renaissance progressed there.

The seventeenth century in France is known as the Great Century, and its typical king as the Great Monarch. Its literature presents a dazzling array of famous names; its books are intoxicating in their diversity and verve. Yet through even the wittiest of them runs a streak of melancholy and disillusion. To comprehend this we have to examine the underlying structure of society. The French Renaissance, as we have seen, was as brilliant as any: but it heralded a growth whose maturity was to be long delayed. England, owing to the circumstances of being an island, had an efficient navy long before France; she utterly routed the fleet of Spain, her only serious trade rival, while France was still plunged in civil wars. Moreover, England had furnished since as early as the thirteenth century the main wool supply of Europe. France, though a much larger country, was undeveloped, having many tangled forests and wild mountains overrun with wolves, bears and bandits. Her economic development was retarded, but the power of the aristocracy was weakened, and a strong absolute monarchy was set up under Louis XIII and XIV, like the Tudor dynasty in England; unlike the latter, however, the French Bourbons were able to retain their authority unchallenged for nearly two hundred years. The Protestant Reformation was checked,

and society remained fossilised in a semi-feudal structure. The work of the Renaissance and the influence of expanding England remained, however, to modify the trend of men's ideas. New thought had been introduced into literature; knowledge was spreading.

In the thirties of the seventeenth century France produced a philosopher, Descartes, and a poet-dramatist, Corneille, who, in their different manners, expound similar ideas. Descartes is a materialist to this extent: he insists on the physical basis of emotions and the "soul"; but he urges very strongly the idea of free will and the power of mind to dominate matter. He is an anti-theologian, but finds room in his philosophy for "faith," and keeps discreetly just within the shelter of Mother Church. The dramas of his contemporary Corneille are uniformly concerned with conflicts in individual beings or groups between their intellects and their passions; as, for example, the prolonged battle of love and duty in his tragedy "The Cid."

Towards the middle of the century the Regency of Anne of Austria ended, and her son, Louis XIV, "the Sun King," began his reign in earnest. There ensued the "classic" period of French literature, comparable with the "spacious times" of Elizabethan England, but surpassing that age in polish and sophistication. It was an aristocratic literature commissioned by a small leisured class, and, so far, typically feudal; all the classic poets uphold the divine right of kings and the sanctity of tradition. Their style is

THE SOCIALIST PARTY
OF GREAT BRITAIN

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interest of the whole community.

DECLARATION OF PRINCIPLES

THE SOCIALIST PARTY of Great Britain
HOLDS—

That society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class, by whose labour alone wealth is produced.

That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.

That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.

That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.

That this emancipation must be the work of the working class itself.

That as the machinery of government, including the armed forces of the nation, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocracy and plutocracy.

That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working-class emancipation must be hostile to every other party.

THE SOCIALIST PARTY of Great Britain, therefore, enters the field of political action determined to wage war against all other political parties, whether alleged labour or avowedly capitalist, and calls upon the members of the working class of this country to muster under its banner to the end that a speedy termination may be brought to the system which deprives them of the fruits of their labour, and that poverty may give place to comfort, privilege to equality, and slavery to freedom.

Those agreeing with the above principles and desiring enrolment in the Party should apply for membership form to secretary of nearest branch or at Head Office.

remarkable for its elegance and clarity; their subject-matter deals with problems of individual human beings, not with traditional "types": here is the Renaissance at work, striving towards free personal expansion. Within the limits of their subjects they are startlingly real in their treatment; but those subjects, narrow and over-simple, soon become unreal and pretentious.

Perhaps the best-known author of this time is the actor-comedian, Moliere. His satirical portraits of men and manners, his grim lack of faith in "human nature," reflect on the one hand the general dissatisfaction of the shackled bourgeoisie and on the other the writer's personal misery. Although humorous, his work is very narrow and formalised; this is typical of the time. A similar but rather mellowed outlook is expressed in the form of rhymed fables by the poet Lafontaine.

The writer of this age most esteemed in France, however, is the dramatist Racine. Each of his plays is a concentrated and flawless piece of craftsmanship; he has no trouble in abiding by the art-conventions of the time; he exalts the State and depicts devotion to it as the noblest of man's passions. Yet even he, the idol of the court, retired disillusioned. The most disillusioned man of the great century is, however, that immortal cynic La Rochefoucauld, whose slender volume of *Maxims* and *Thoughts* compresses into a few pages all the soured weariness that lay behind the glories of the Sun King's court. The brilliance of his penetration is in part due to personal disappointments; he attained popularity because his mood found an echo in many brains. A few examples from his epigrams will suffice to indicate his scope. "Our virtues are generally vices in disguise." "We refuse praise in order to have it repeated." "Virtue would not go so far if vanity did not keep it company." "Love of Justice is generally fear of suffering injustice." "However well men speak of us they teach us nothing new." "We would rather villify ourselves than not speak of ourselves at all."

The close of this classic period brings an essayist, La Bruyere, and the beginnings of the novel. La Bruyere's book of "Characters" is a series of pen-portraits in the manner of Moliere and La Rochefoucauld. He was embittered by the constant necessity of toadying to an effete aristocracy who ignored or insulted him; so that his sarcasms are the very epitome of the slowly gathering feelings of revolt that were later expressed in the philosophic literature of the eighteenth century. The novel, at first a narrative of adventure imitated from the mariners' accounts, was becoming more topical and realistic; soon, with the *Gil Blas* of Lesage, it developed strong satirical tendencies.

Meanwhile in England the restoration in 1660

of the Stuart line and the subsequent prosperity and relative tranquillity, gave at first a literature calm and courtly; in poetry there is the benign Andrew Marvell, with his flowers and gardens and his equitable temperament; the religious but not fanatical Henry Vaughan; and the exuberant heroisms of Dryden. In prose the continued interest in religion shows itself in Bunyan's "Pilgrim's Progress"; this sober work presents a lively contrast with the spate of wittily wanton plays by Wycherley and Congreve, soon to come into favour. These two opposing tendencies in literature have their political and economic backing in the Whig and Tory conflict just then taking shape owing to the hostility between the dominant court faction and the merchant class.

STEWART.
(To be continued.)

Banks and Credit

We have received a further letter from Mr. Hobsbaum, whose criticisms were dealt with in the November SOCIALIST STANDARD:—

Tottenham, N.17.
7/11/33.

Dear Comrade,

That bank deposits result mainly from lending operations is testified to by Mr. McKenna, chairman of the Midland Bank, Ltd., in his book on Post-War Banking Policy. He says, on page 7, "bank loans are the main source of the growth of deposits"; and indeed, how else would you explain the fact that total deposits in January, 1932, were £1,714 millions, while currency notes were only £400 millions? If deposits were created by depositors placing surplus funds with the banks, how on earth would the total deposits exceed total of notes in existence by such a huge figure? (£1,314 millions.)

In one section of your reply to my letter you both admit and deny that loans by banks increase deposits. You say an advance of £50,000 would result in an increase in total deposits, whereas an overdraft of the same amount would leave deposits unchanged! Why?

I did not wish to imply that cheques were currency. A cheque book handed to a borrower entitled to draw up to £50,000, means that that amount has been credited to him, and the cheques he draws are the instruments by which he transfers that credit or portions thereof to others. Clearly, if he does not utilise the whole of the credit, it does not become cancelled as you suggested, but remains available.

How are prices affected? There are many influences which condition changes in prices, one of which is the variation in the quantity of those units in which prices are expressed. Granting that Mr. McKenna is right in attributing growth of deposits to loans (mainly), since these loans swell the quantity of money (or more precisely its representative forms), then the tendency is for prices to rise, unless, of course, a proportionate increase in the productivity of labour follows. To deny this is to deny the possibility of inflation. Too full lending by banks always carries that danger, and though it increases the indebtedness to the banks, it is not until the banks slow down their lending, i.e., deflate, that the value of that indebtedness is realised, for restrictions on lending make it difficult for borrowers to obtain money, enhance the value of money itself, which is reflected in a tendency for prices to fall, and the bankers find that their loans in terms of goods have risen in value.

Yours fraternally,
R. HOBBSBAUM.

Reply.

The contradiction which Mr. Hobsbaum thinks he has discovered in the reply given to him in

the November issue is the product of his own confused thinking. If he will read again the section which we assume he has in mind, he will see that its purpose was to show the futility of maintaining, in the face of all experience, that the price level is a function of the total deposits shown in the books of the banks. It was pointed out that one method of recording a loan transaction in the books of a bank can produce an effect on that total which is different from the effect produced by another method. If a bank agrees to make an advance of £100, it debits the client *immediately* with £100 in an advance account and credits him with a similar amount in current account, thereby causing an immediate increase in the total of deposits shown in its books. If, however, it should agree to allow a customer to go debit in his current account, there is no immediate effect on the total. But even if, for the purposes of book-keeping, the total of deposits shown in the books of a bank are increased immediately to record the fact that the bank has agreed to make a loan, this increase does not represent something created by the bank. Until the borrower draws a cheque on, or cash from, the bank the latter, in fact, has lent him nothing and so certainly cannot have created anything. In due course, however, the client will avail himself of his borrowing facilities. Suppose him to draw a cheque for £100 with which he pays a car manufacturer for a car. The latter pays the cheque into his own account, thereby increasing his bank balance by £100. The balance (if any) in the borrower's account is now the same as it was before the bank agreed to make the advance. The total of bank deposits is, therefore, higher by £100 than it was before the bank agreed to grant the loan, but if the car manufacturer was told that the bank had "created" the increase he would quite rightly tell his informant not to be a fool, and would point out that it arose from a car having been produced. It should also be noted that the increase has not occurred in the deposits of the bank which made the advance; so that the "credit creation" theory comes down to a statement that a bank creates deposits of the other banks, but not for itself! The fact that banks make loans to customers is not inconsistent with the statement that banks must borrow before they can lend, and cannot lend more than a part of what they borrow, for before the bank could undertake to lend £100 it had to have that amount of cash available. Mr. Hobsbaum has not yet brought forward a single argument to prove his claim that a bank actually lends more than it borrows (i.e., than is deposited with it). He seeks to support it with a statement by Mr. McKenna that "bank loans are the main source of the growth of deposits." However objectionable this phrase may be, there is a world of difference

between it and Mr. Hobsbaum's statement that bankers create deposits. Mr. McKenna's views on the subject are not free from confusion, but the following passage taken from the report of the examination of Major Douglas before the MacMillan Committee is quite clear:—

Mr. McKenna: "Are you quite familiar with the banking system?"

"Well, reasonably, I think."

Mr. McKenna: "I suppose you appreciate its working? Supposing for a moment that you are a borrower and I am a banker. If you come and borrow £10,000 from me you take £10,000 from my cash."

"Not from your cash, do I?"

Mr. McKenna: "From my cash absolutely."
("Minutes of Evidence," Vol. I, Page 301.)

This is quite a definite statement that the banks can "create" nothing but can only lend what they have. Other bankers, with a larger experience of banking than Mr. McKenna, are equally definite. The late Mr. Walter Leaf, at one time Chairman of the Westminster Bank, wrote:—

The banks can lend no more than they can borrow—in fact not nearly so much. If anyone in the deposit banking system can be called a "creator of credit," it is the depositor; for the banks are strictly limited in their lending operations by the amount which the depositor thinks fit to leave with them.

("Banking," Home University Library, Page 102.)

If the evidence before the MacMillan Committee of bankers, like Sir W. H. N. Goschen (former Chairman, National Provincial Bank, Ltd.), Mr. J. W. Beaumont Pease (Chairman of Lloyds Bank, Ltd.), Mr. Hyde (Managing Director of the Midland Bank, Ltd.), etc., is studied, it will be seen that they quite certainly regard their lending as controlled by the amount of deposits with them, not vice versa. The last-named quite definitely stated, in reply to a question regarding the granting of advances, "We have to be guided by the position of our deposits" (Vol. I, page 59) while the reply given by Sir W. Goschen to the question, "Have you any views regarding the proportion of your deposits that you should advance on loan and current account?" was, "If the remainder of your assets are very liquid, I think you are entitled to lend a higher proportion of your deposits than you are if you have unliquid assets." (Page 116.)

After reading into Mr. McKenna's statement more than it says, Mr. Hobsbaum goes on to argue in effect that "Banks must create deposits, otherwise how could the total of bank deposits greatly exceed the total amount of currency in circulation?" This is an entirely illogical and fallacious argument. At the date Mr. Hobsbaum mentions, deposits in the Post Office and Trustee

Savings Banks totalled about £480 million, or about £80 million more than the total notes as given by Mr. Hobsbaum. Nobody has ever claimed that such banks "create" deposits. If their deposits can exceed the total of currency notes without their creating deposits, why should a similar position in other banks be impossible? The following illustration may help Mr. Hobsbaum to understand the matter.

Assume Mr. Hobsbaum starts business as a banker on a desert island on which there are only 100 units of currency. To begin with he has 10 units of currency representing the capital of his bank, and nobody has made any deposits with him. Then along comes "A" with the other 90 units of currency on the island and deposits them in Mr. Hobsbaum's bank, thereby raising the deposits to 90 and the currency holding to 100. Mr. Hobsbaum now lends 95 to "B," who takes currency and pays it to "A" for coconuts. "A" deposits the 95 units of currency with Mr. Hobsbaum, thereby raising the total of deposits to 185, although all the currency in the island was only 100. If the process is repeated, deposits would rise to 280, but Mr. Hobsbaum, the banker, would not have lent more than he borrowed, he would not have "created" any credit or deposits, and he would have received currency in respect of all the deposits, despite the fact that the island never held as much currency as he has deposits. On a larger scale this is what happens in the banking system of the real world. So much for the power of banks to "create" deposits!

Mr. Hobsbaum has abandoned, or not sought to defend, the other claims made in his first letter. Faced with the figures which show that in recent years prices have not moved *with*, but *in the opposite direction from* deposits, he falls back on the implied defence that if prices fail to rise when deposits are increasing it is due to an increase in the productivity of labour. The ridiculousness of this assertion is soon apparent if the figures are examined. Thus, from May, 1920, to January, 1922, deposits rose by 8%, so that on Mr. Hobsbaum's theory, prices should have also risen by 8%, unless labour became more productive. In fact, prices fell over this period by 50, which, on Mr. Hobsbaum's theory, meant that labour more than doubled its productivity. Does he really believe this?

Another correspondent, Mr. Wright, sends us a letter in which he expresses the belief that "A Socialist State" could be founded upon £2,000 millions of money, and urges us to adopt a policy of gaining control of the banks so as to be able to use them to create this amount of money to "finance Socialism." Mr. Wright, like Mr. Hobsbaum, has still to prove that banks create money, deposits, or anything else, out of nothing.

B. S.

Answers to Correspondents

J. W. Rimmington (West Ham).—If you had read the whole of the article instead of only part of it (as you state is the case), you would not have supposed that it was an attack on the character of Sir John Ellerman.

Your suggestion that the railwaymen should pay £40-millions a year into the funds of their union, and use this money for houses, pensions, unemployment insurance, etc., for themselves, is fantastic. You propose that the railwaymen shall obtain the necessary money by demanding higher wages, but you do not explain how the railwaymen or any other body of workers are going to compel the employers to pay these higher wages. Trade unions have been trying to do this for generations.

The fact that a few workers climb into the ranks of the capitalists and that some capitalists are forced down into the ranks of the workers, does not alter the subject position of the working class as a whole. The only way out is for the workers to conquer political power and make the means of production and distribution the property of society as a whole.

ED. COMM.

SOCIALISM AND RED SHIRTS.

A correspondent sends the following letter of enquiry:—

Tottenham, N.15.

Dear Sir,
Will you please tell me, through the "S.S.", and not by the post, how long is the Socialist Party of Great Britain becoming theatrical?

For some months past the members of your Party, in Victoria Park, on Sunday, have now taken to wearing red shirts, so the indications of a class conscious man will, in the near future, be determined by the colour of his shirt, and not the state of his upper story.

On Monday evening last, I attended a "debate," at Ridley Road, between a member of the Communist and another of your party. Wonder of wonders,—the Communist was wearing a white shirt and collar and a green tie, and your representative was wearing a red shirt. Various members in the crowd, within my hearing, passed remarks about it.

I have been interested in Socialism nearly all my life. Nearly thirty years ago I first listened to Fitzgerald and Anderson at our local meeting place, but not once have I seen them in red shirts or "Bread or Work" banners.

If red shirts stood for anything intelligent it would not be so bad, but it is a latter-day stunt of a so-called Communist Party, and to it the red shirts should be confined. There is no room in a class conscious party for theatricals. It is pure and simple an advocacy of a physical encounter with the Capitalist class.

Yours for Socialism,

W. J. PALMER.

Reply.

Our correspondent bases his question on an implication which is not in accordance with the facts. He writes: "For some months past the members of your Party in Victoria Park on Sunday have now taken to wearing red shirts . . ."

This statement would convey to those who do not visit Victoria Park that all or most members of the S.P.G.B. who visit Victoria Park wear red shirts

December, 1933

THE SOCIALIST STANDARD

61

as a sort of uniform. This is not correct. What is correct is that our correspondent has seen a few members of the S.P.G.B. whose shirts happen to be red in colour.

We can therefore assure our correspondent that the S.P.G.B. has not changed its view that membership of the Socialist Party must be based on the understanding and acceptance of Socialist principles. The S.P.G.B. has not adopted red shirts or any other kind of uniform. If individual members of the S.P.G.B. happen to have shirts and ties which are red in colour, that has no significance whatever, any more than the fact that other members wear blue shirts, grey shirts, or shirts of any other colour or mixture of colours.

We assure our correspondent that the S.P.G.B. is not deserting Socialist principles for theatrical display. We would also draw his attention to the significant fact that he nowhere suggests that the individuals he saw in red shirts (including the S.P.G.B. representative in debate) departed in the slightest degree from the enunciation of Socialist principles. If he ever finds members of the S.P.G.B. doing so he will have reason to criticise. Until that happens our correspondent has no ground for his suggestion that such a departure has occurred merely because he sees a shirt of some particular colour.

ED. COMM.

POLITICAL AND SOCIAL REFORMS.

Clapham,
September 24th, 1933.

Dear Comrades,

Seeing that the S.P.G.B. claim that, in this country, at any rate, at the present time, the only known course open to the workers to capture the seat of Government is the vote, that being so, one can logically claim that the franchise is a social reform that will eventually fundamentally benefit the working class.

The reason I express this point of view is that, was one of your speakers correct when he asked an audience to name one "social reform" that has fundamentally benefited the working class?

Now, Marx, writing on the Chartists, said: "But universal suffrage is the equivalent for political power for the working class of England, where the proletariat form the large majority of the population, where, in a long, though underground, civil war, it has gained a clear consciousness of its position as a class, and where even the rural districts know no longer any peasants, but landlords, industrial capitalists (farmers) and hired labourers. The carrying of universal suffrage in England would, therefore, be a far more Socialist measure than anything which has been honoured with that name on the Continent. Its inevitable result here is the political supremacy of the working class." (*New York Tribune*, August 25th, 1852. Quoted by *Labour Monthly*, December, 1929.)

Your speaker took the opposite viewpoint, saying "that the workers had recently returned the Nationalist Government. Also that the ruling class had given further suffrage to the women." Quite so, that is because the workers are not mentally equipped with the necessary Socialist knowledge, and, therefore, is not a condemnation of the "social reform," namely, "the Franchise," which Marx agrees is a Socialist measure. Your reply to my letter, re "The Vote," in September, 1927, said, "We would strongly urge them (black workers) to agitate for the franchise."

Yours fraternally,
T. W. C.

Reply.

Our correspondent has, we think, completely misunderstood the speaker whose remarks he quotes.

It is usual to refer to changes in the machinery of Government as "political" reforms, and to keep the phrase "social reforms" for such measures as old-age pensions, health and unemployment insurance, etc. The speaker in question would therefore not expect his statement, that no social reform had "fundamentally benefited the working-class," to be understood as meaning that the franchise is useless.

Our correspondent falls into a second misunderstanding when he fails to separate the present misuse of the franchise from its future correct use. It is true, as Marx said, that the franchise will inevitably result in the political supremacy of the working class. It is also true to say (as our speaker is reported as saying) that the workers have used their votes to return a capitalist Government to power. Our speaker would therefore have been quite correct if he had also said that the franchise has not yet been used by the workers in such a way as to be of fundamental benefit to them.

When they become Socialists the working class will know very well how to use the vote.

ED. COMM.

THE DIRTY WORK UNDER SOCIALISM.

Hunts,
September 22nd, 1933.

The Editor,
SOCIALIST STANDARD,
42, Gt. Dover Street,
S.E.1.

Sir,
As a reader of the SOCIALIST STANDARD, I should be interested to read some observations on the probable method of procedure of a Socialist Administration once it gained power, because it seems to me that certain difficulties would arise which would need very careful consideration. To-day, men work at jobs requiring more or less skill, incurring greater or less danger or pleasure; for example, one man goes down into a coal mine, among the dirt and danger, to perform hard labour, while another spends his time pleasantly, designing handsome buildings in an architect's studio. And quite possibly the coal-miner might have made a better architect than the other, if he had had the opportunity for training, etc. It is plain that, under Socialism, as under Capitalism, the "real" work would still have to be done. But why should this man be compelled to risk his life in a coal mine while that one works on a design for a house; or that man again be compelled to clean out drains while that man performs the cleaner job of tuning pianos. In short, how would Socialism share out the pleasant and intellectually satisfying work and the unpleasant and laborious work?

Yours truly,
RALPH SEWELL.

Reply.

In general, when we are asked what methods will be used under Socialism to solve the various economic and social problems that will arise then, we can give no other answer than that we do not know, for we do not know in what form the problems will arise nor what means will be available to solve them. Our correspondent's letter serves as an example of the difficulties in which Socialists

would place themselves if they accepted the rôle of prophets. How does our correspondent know that coal-mining will be dirty and dangerous in ten, twenty or thirty years' time? How does he know that an architect's work will at that time be relatively pleasant? Indeed, how does he know that there will be any coal miners or piano tuners or architects? They may all have gone the way of the coal tubs that were hauled by women and boys 100 years ago.

It is worth recalling that before the War the question used to take the form: "Who will sweep the crossings under Socialism?" Nowadays, the relatively much better paid and pleasanter occupation of driving a motor sweeper has driven most of the crossing sweepers into oblivion.

We do not wish to give the impression that there will be no problems to solve once Socialism is established, for, of course, there will be problems. What we do say is that these are questions which would be of small importance to us now, even if we could profitably attempt to answer them. We are not telling the workers that they ought to support Socialism because it has a beautiful cut and dried scheme and an answer to every problem. What we urge is that there is one problem existing now—the poverty problem—which is of such fundamental importance that it overshadows every other problem. The only solution is the abolition of the private ownership of the means of production and distribution. Once Socialism is achieved then society will have a new and entirely different foundation on which to work. In keeping with that different foundation the problems which will present themselves will be different. Some will be new, while old ones will have taken on a greater or less importance than now. Most important of all they will be solved by Socialists working with greater freedom and with greater means at their disposal than society can utilise now.

Of course, every effort will be made to eliminate dirt, danger and laboriousness from all occupations as far as possible.

More than that we cannot say.

It may be added that the end achieved will colour the view of each individual on the question of dirt and discomfort. Wealthy men and women put up with considerable dirt and discomfort when hunting, etc., and hikers accustomed to refined surroundings will live exceedingly "roughly" while pursuing their pleasures.

ED. COMM.

WHY CAPITALISM WILL NOT COLLAPSE . . .

Owing to the continued demand for this pamphlet a further supply has been printed

Send your orders to—

Literature Secretary, 42 Great Dover Street, E.C.1
16 pages 1d. (Post free 1½d.)

Notes by the Way

The Housing Problem Solved Again.

The housing problem has been solved at least half a dozen times since the end of the war. At any rate, each Government in turn has confidently announced that it was in process of being solved. The present Government is relying on its own slum-clearance schemes plus the activities of private builders and the building societies. Sir Paul Latham, who is Conservative M.P. for Scarborough and a member of the London County Council, writing in the *Evening Standard* (October 23rd, 1933), says that the present rate of dealing with unsatisfactory housing conditions, even the increased rate which is being urged by the Act of the Ministry of Health,

will do little in the lifetime of our generation to solve the housing problem in London.

The *Architects' Journal*, "After an exceedingly careful and detailed investigation," states that 1,400,000 houses are needed to abolish over-crowding (quoted in *Evening Standard*, November 17th, 1933).

Other authoritative statements quoted by the *Evening Standard* (November 17th, 1933) are the following:—

On the basis of the houses condemned in Manchester there must be a million slum dwellings in the country (Sir E. Simon).

Of the million slum dwellings which are estimated to have been in existence in 1918 only 20,000, equivalent to 2%, have been demolished and replaced by new buildings. In the last 60 years only 200,000 slum dwellers have been re-housed.

There are houses which were condemned 40 years ago and are still standing and being used.

The Cause of War.

Mr. A. A. Baumann, who writes for the *Evening Standard* over the initials A. A. B., is known as an old, crusted Conservative, who often shocks a more mealy mouthed generation by his crude statement of his principles. On October 4th, 1933, he dropped a brick by a candid statement about war. He said:—

It is the lust of money, and nothing else, that provokes and protracts modern war . . . the cause of all wars is lust for money.

The late Lord Brentford, when he was plain Mr. Joynson-Hicks, was equally candid. He said:—

We conquered India as the outlet for the goods of Great Britain. We conquered India by the sword, and by the sword we should hold it (quoted by A. G. Gardiner in *Daily News*, October 17th, 1925).

It is interesting to notice how the Liberal *Manchester Guardian* managed to convey precisely the same idea as the Tory Joynson-Hicks, but without his bluntness:—

There are two chief reasons why a self-regarding England may hesitate to relax her control over India. . . . The second is that Great Britain finds in

India her best market, and that she has a thousand millions of capital invested there. (*Manchester Guardian*, December 30th, 1929.)

A last comment on the Great War is provided by Mr. A. G. Gardiner. Writing in the *Star* (October 11th, 1933), he discovers that the Kaiser was really quite a democrat:—

"Even under the Kaiser there was freedom of the Press, freedom of organisation, and a freely elected Parliament . . ."

Those who have long memories will recall that Mr. Gardiner, in 1914, was Editor of the *Daily News*, and in that capacity was one of those who backed up the war on the plea of guarding English civil liberties against being reduced by a victorious Germany to the state of suppression supposed to exist in that country.

Now, 15 years after the war to end Prussianism, Mr. Gardiner discovers that Hitlerism is the real evil, and that the Kaiser was not so bad after all.

* * * *

Arms and the Workers

When Communist advocates of armed revolt were asked from what source the workers would obtain arms, dark hints were sometimes thrown out indicating that Russia would oblige. Incredible as it may seem, this has at last been partly realised, for the Russian Government has made a gift of five bombing planes to the neighbouring State, Turkey, as a little memento on the 10th anniversary of the Turkish Republic. (See *Daily Herald*, October 27th, 1933.)

The promise is, however, only partly fulfilled, for the planes have been given, not to the Turkish workers, but to the capitalist Government.

* * * *

Woman in a Sack.—40 Years of Progress

Mr. George Lansbury related recently (see *Daily Herald*, October 23rd) how it was he first became converted to what he calls Socialism. He was making a canvass of the Devons Road area of Bow for the voting register when the door of one house was opened by a poor woman dressed in a sack, in which three holes had been cut for head and arms.

That must be nearly 40 years ago—40 years of reforms introduced by the Liberals, Tories and Labour Party, 40 years which might have been devoted by Mr. Lansbury to working for Socialism but for the fact that he decided instead to follow the line of trying to get "something now."

Yet he admits that, touring the same district recently, he "Was horrified to see the conditions in which the people are still living."

Even the sack is not entirely gone, for two weeks later the *Daily Herald* published a letter in which a correspondent, who signed himself "Disillusioned," said that he had just seen "The huddled form of a woman, covered by a dirty

piece of sacking," sleeping out on a seat near Buckingham Palace.

The writer was disillusioned about the "peace" which has followed the war. He could, with equal justification, have been disillusioned about the 40 years spent in vain trying to patch up the evils of capitalism bit by bit. The Rev. William Dick, of Trinity Church, Poplar, says that there are, to his knowledge, hundreds of families in the East End hungry—"They have absolutely no food in the house." He claims that in Poplar alone (where there has long been a Labour Council) "40,000 people are living on the poverty line or are in actual want" (*Daily Herald*, November 3rd, 1933).

How Reforms Divide the Workers

Of all the political errors which have hampered the growth of Socialism there is hardly any so ill-founded as the idea that the way to unite the workers is to get together a list of non-Socialist demands, relating to so-called practical, every-day questions. The truth is that each such demand provokes opposition among one section of the workers while eliciting approval from another.

The *Daily Herald* (November 4th) provides an example. Mr. Alfred Barnes, Labour ex-M.P. for East Ham South, speaking at Enfield on November 3rd, said:—

" . . . a few years ago the Tories asserted that Socialism meant the bureaucratic State—industry being directed from Whitehall by well-paid officials, and initiative disappearing.

"That was just what they were doing themselves—Electricity Commissioners, London Transport Board, Milk and Bacon Boards . . .

"All these represented the regulation of industry from Whitehall by well-paid officials in a desperate effort to bolster up capitalism."

Now quite apart from Mr. Barnes' criticism of these Boards as being an effort to bolster up capitalism, there is the important point that while one body of workers inside the Labour Party accept his view, another body of workers inside the Labour Party are actively pressing for the multiplication of such boards. Indeed, it was Mr. Herbert Morrison who, as Minister of Transport in the Labour Government, introduced the London Passenger Transport Bill.

By one of those curious coincidences that sometimes happen even in the most judiciously sub-edited Labour papers, Mr. Barnes' speech attacking Mr. Herbert Morrison's London Passenger Transport Board was published in the *Daily Herald* immediately below the report of a speech by Mr. Morrison.

H.

"SOCIALISM"

48 pages, price 2d. (Post free 2½d.)

Send for a copy to the LITERATURE SECRETARY
42 Great Dover Street, S.E.1

DEATH OF COMRADE F. CUDLIP

We regret to announce the death of our comrade Fred Cudlip, from blood poisoning, on November 8th, at the early age of 35. He was a member of the West Ham Branch of the S.P.G.B. for 15 years, and was ever ready to take part in the varied work towards making the organisation efficient. He was cremated at Ilford Cemetery in the presence of his wife (a comrade) and many party members and sympathisers, on Monday, November 13th.

He was a thorough and untiring worker, prepared to turn his hand to anything that would help on the work of the party. We will sadly miss his jolly face and unfailing good humour.

THE WORKERS' SOCIALIST PARTY (U.S.A.)

Readers in U.S.A. are invited to communicate with the Workers' Socialist Party at 132, East 23rd Street, New York City, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF CANADA

Readers in Canada are invited to communicate with the Socialist Party of Canada at 194, Market Avenue, Winnipeg, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF NEW ZEALAND

Readers in New Zealand are invited to communicate with the Socialist Party of New Zealand. Secretary, T. J. Philips, 16, Hawea Road, Pt. Chevalier, Auckland, W.8, where the SOCIALIST STANDARD is obtainable.

THE SOCIALIST PARTY OF AUSTRALIA

Readers in Australia are invited to communicate with the S.P. of Australia at Box 1440 P.O. Elizabeth Street, Melbourne, where the SOCIALIST STANDARD is obtainable.

Lectures every Sunday night at 8 p.m. 122 Bourke Street, City. All welcome. Questions and discussions.

"SOCIALISM AND RELIGION"

48 pages. TWOPENCE 2½d. post free.

The Socialist Party of Great Britain
AND QUESTIONS OF THE DAY

Deals with the founding of the Socialist Party, the Liberal, Tory, Labour and Communist parties and the I.L.P., the Russian Dictatorship, War, Trade Unions, Social Reforms etc

80 Pages—Price 3d. (Post free—4d.)

S.P.G.B. PROPAGANDA MEETINGS

		LONDON DISTRICT.
Sunday	...	Clapham Common, 3 p.m. Finsbury Park, 11.30 a.m. Victoria Park, 11.30 a.m. Cock Hotel, East Ham, 7.30 p.m. West Green Corner, Tottenham, 8 p.m. Liverpool Street, Dalston, 11.30 a.m. Ridley Road, Dalston, E.8, 8 p.m. Highbury Corner, N. 8 p.m.
Monday	...	West Green Corner, Tottenham, 8 p.m. The Fountain, Forest Gate, 8 p.m. Ridley Road, Dalston, 8 p.m.
Wednesday	...	“Sa'mon and Ba'l,” Bethnal Green, 8 p.m. Rushcroft Road, Brixton, 7.30 p.m. Jolly Butcher's Hill, Wood Green, 8 p.m. Pretoria Avenue, High Street, Walthamstow, 8 p.m.
Thursday	...	
Saturday	...	
Sundays	...	SHEFFIELD. Barker's Pool, 7.30 p.m.

Published by THE SOCIALIST PARTY of Great Britain, 42, Great Dover Street, London, S.E.1, and
Printed for them by R. R. TAYLOR & Son, Ltd., 55/57, Banner Street, London, E.C.1. (r.v.)

BRANCH DIRECTORY

BATTERSEA.—Sec., 2, Hanbury Road, S.W.11. Branch meets Thursday, 8.30 p.m., at The Waiting Room, Latchmere Baths, entrance in Burns Road.

BIRKENHEAD.—Communications to H. Dawson, 26, Vulcan Street, Birkenhead, Cheshire.

BIRMINGHAM.—Sec., E. Jesper, 38, Rollason Road, Erdington, Branch meets Jeans Café, Newton Street. First Wednesday in month at 8 p.m.

BLOOMSBURY.—Secretary, M. Sandy, 269, Gray's Inn Road, W.C.1. Branch meets every Friday at 7.30 p.m. at A.E.U. Hall, 39, Doughty Street, W.C. (Near Grays Inn, Road).

CENTRAL.—Membership obtained only through the Ex. Committee. Applications to General Sec.

DAGENHAM.—Branch meets alternate Mondays (from December 11th) at 8 p.m., Pettits' Farm, Heathway. Sec. J. Pegman, 87, Maxey Road, Dagenham, Essex.

EAST LONDON.—Communications to J. Strickett, 5, Ely Terrace, E.1. Branch meets every Friday, at 8 p.m. at 141, Bow Road, E.3.

ECCLLES.—Branch meets 1st and 3rd Mondays in month at small ante-room, Co-op. Hall, Peel Street, 7.30 p.m. Lecture and discussion, 8.45. Non-members invited. Secretary, Mrs. F. LEA, 5, Gaskell Road, Eccles, Lancs.

EDINBURGH.—Communications to Sec., D. Lamond, at 15, Barclay Place.

GLASGOW.—Branch meets 2nd and 4th Mondays in month, 8 p.m., at 98 Nuburn Street, Glasgow, C.5. Communications to M. Falconer at above address.

HACKNEY.—Branch meets Tuesday, 7.30 p.m., at Old Gravel Pit Hall, Vallette Street, E.9. Lecture after each meeting. Communication to Sec., E. Chalkley, 21, Bridge Street, E.9.

HULL.—Branch meets alternate Wednesdays, at York Room, The Metropole. Communications to Sec., at 62, Ampleforth Grove, Willerby Road.

ISLINGTON.—All communications to N. A. Bishop Argyle Court, 106, Seven Sisters Road, N.7. Branch meets from 8 to 10 p.m. on Wednesday.

LEYTON.—Communications to Sec., R. Davenport, 7, Theobald Road, E.17. Branch meets Thursday, 8 p.m., at Trades Hall, Grove House, High Road, Leyton.

MANCHESTER.—Sec., G. White, 28, Kirkstall Street, Ardwick M/C. Branch meets 2nd and 4th Mondays in month.

PADDINGTON.—Branch meets 8 p.m., 2nd and 4th Fridays in month, at 447, Harrow Road, W.10. Discussion at 9.30 p.m. Sec., A. Bentley, 31, Claremont Road, W.9.

SHEFFIELD.—Sec., G. H. Southgate, 64, Pickering Rd., Neepsend Branch meets alternate Mondays, 7.30 p.m. at Room 10, Friend's School, Hartshead.

SOUTHEND-ON-SEA.—Branch meets 1st and 3rd Wednesday in the month, at 8 p.m. at 6, Hermitage Road, Westcliff. Discussion after branch business. Non-members invited. Communications to Sec. at above address.

SOUTHWARK.—Branch meets Fridays at 8 p.m., 42, Great Dover St., S.E.1. Communications to Sec., at above address.

STEPNEY.—Sec., B. Orinsky, 33, Ernest St., Mile End. Branch meets on Fridays at Whitechapel Library (Committee Room) at 8 p.m. Lectures on alternate Fridays.

TOOTING.—Branch meets 1st and 3rd Fridays in the month at 8 p.m. 110, Beechcroft Road, Tooting, S.W.17. Sec., J. Keable, 1, Haverhill Road, S.W.12.

TOTTENHAM.—Branch meets 1st and 3rd Fridays in the month, 7, Bruce Grove, Room 2. Discussion after branch business. Public invited. Communications to W. A. Baxter, 8, Alton Road, Downhills Park Road, Tottenham, N.17.

WATFORD.—A. Lawson, Sec., 107, Kensington Avenue, Watford. Branch meets Mondays at 8.30 p.m., at Secretary's address.

WEST HAM.—Sec., P. Hallard, 22, Colegrave Road, Stratford, E. Branch meets Whitehall Schools, Parliament Place, Forest Gate, every Thursday at 8 p.m.

WEMBLEY.—Communications to H. G. Holt, 34, Beltham Road, Greenford, Middlesex. Branch meets every Friday at 8 p.m. at Cafe-Restaurant over 170, High Road, Wembley.

WOOD GREEN.—Communications to Sec. at 44, Boreham Road, Wood Green, N.22. Branch meets 2nd and 4th Wednesday in month at 8.30 p.m., Stirling House, Stuart Crescent.